

EXHIBIT 12

Modification Summary Report

Contract (PO) Number: 3220

Modification Revision Number: 3

Specification Number: 2281

Name of Contractor: REDFLEX TRAFFIC SYSTEMS INC.

City Department: CHICAGO DEPARTMENT OF TRANSPORTATION

Title of Contract: DIGITAL AUTOMATED RED LIGHT ENFORCEMENT
PROGRAM

<u>Mod Req Number</u>	<u>Mod Reason</u>	<u>Description</u>
28225	SCOPE CHANGE	MOD TO PO # 3220/SCOPE CHANGE & ADDITIONAL FUNDING-DIGITAL AUTOMATED RED LIGHT ENFORCEMENT PROGRAM

Term of Contract: Start Date: 10/22/2003

End Date: 10/21/2008

Procurement Services Contact Person: JOSEPH CHAN

Please refer to the DPS website for Contact information under "Doing Business With The City".

Vendor Number: 50065408

Submission Date:

FEB 07 2007

Specification No.: 2281
Contract (P.O.) No.: 3220("Agreement")
Amendment No.: 3
Vendor No.: 50065408

AMENDMENT

This amendment ("**Amendment**") is made and entered into effective as of the 1st day of October, 2006 by and between the CITY OF CHICAGO (**City**"), a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois, acting through its Office of Emergency Management and Communications ("**Department**"), at Chicago, Illinois, and **Redflex Traffic Systems, Inc** ("**Vendor**").

The parties agree as follows:

TERMS AND CONDITIONS

1. Throughout the Agreement, the word CDOT is deleted and replaced with OEMC and the word Commissioner is deleted and replaced with Executive Director.

2. **Article 2, Definitions, 2.1 Definitions** is amended by deleting the following:

"CDOT" means the City of Chicago's Department of Transportation.

"Commissioner" means the chief executive of CDOT and any representative authorized in writing to act on his/her behalf.

3. **Article 2, Definitions, 2.1 Definitions** is amended by adding the following:

"**Executive Director**" means the chief executive of OEMC and any representative authorized in writing to act on his/her behalf.

"**Intersection Approach**" means a conduit of travel with up to four (4) contiguous lanes from the curb (i.e., northbound, southbound, eastbound, or westbound) on which at least one (1) digital, rear shot multiple image color camera has been installed by Redflex for the purposes of facilitating Redlight Photo Enforcement by the City.

"**OEMC**" means the Office of Emergency Management and Communications.

4. **Article 2, Definitions, 2.1 Definitions, "System"** is deleted and replaced in its entirety with the following:

“**System**” means the traffic signal monitoring Equipment and Software installed at an Intersection Approach as part of the Redflex Program. There are two systems necessary per intersection.

5. Article 3, Statement of Work is deleted and replaced in its entirety with the following:

As of October 1, 2006, the City currently operates 60 Systems. The City will buy up to an additional 100 Systems. Each intersection requires two (2) Systems that give opposing approaches as defined by the Department. The City will notify Vendor in writing if it intends to purchase additional Systems. The order will be memorialized in a written amendment to this Agreement that will specify any additional bonding required. See Exhibit 12, Section XVI, as revised by this Amendment.

The Executive Director (with the advice of the CPD), by written notice(s) to Vendor (the "Notice to Proceed"), will identify the intersections at which Vendor will install the Systems, and Vendor will install, in accordance with the terms of this Agreement, the Systems at those intersections.

In each Notice to Proceed, the Executive Director will specify the directions (i.e., approach) of vehicles traveling through the intersection that each System must monitor. A System that monitors one approach is considered a single System. Vendor will include in the installation of each System all Equipment (including the Equipment identified in Exhibit 1-A) and Software necessary for the System to function in accordance with the terms of this Agreement and in accordance with Chapter 9-102 of the Municipal Code of the City of Chicago, for the purpose of implementing DARLEP. In addition, Vendor will provide: the services described in Exhibit 1; support and maintenance/repair services in conformance with Exhibit 4; and training in conformance with Section 4.15. The Statement of Work, as set forth in this Article 3 is intended to be general in nature and is neither a complete description of, nor a limitation on, Vendor's obligations under this Agreement.

This Agreement does grant Vendor the exclusive right to sell red light monitoring systems to the City. Vendor acknowledges that during the one 5-year period following the Effective Date, once the Executive Director has issued Notices to Proceed up to 160 Systems, the City may procure additional red light violations systems from an entity other than Vendor. Similarly, if the City extends this Agreement, the City may procure red light monitoring systems in excess of the quantities set forth in the City's extension notice(s) to Vendor (see Section 6.3) from an entity other than Vendor.

6. Article 7, Section 7.2, Funding, is deleted and replaced in its entirety with the following:

The source of funds for payments under this Agreement is: Fund Numbers 006-0C11-0582705-1124-P22000-11024251; 007-0100-0584035-0162-220162 and, any other funds that have or may be appropriated. The maximum funding from fund number 006-0C11-0582705-1124-P22000-11024251 is \$4,000,000.00 and the maximum funding from fund number 007-

0100-0584035-0162-220162 is \$19,500,000.00. Payments under this Agreement must not exceed \$36,949,000.00 (the "Maximum compensation") without a written amendment in accordance with Section 13.4.

7. Article 7, Vendor Compensation is amended by adding a new Section 7.5, Subcontractor Payments, as follows:

"Section 5.5 Subcontractor Payments

Vendor must submit a status report of Subcontractor payments with each invoice for the duration of the Agreement on the "Subcontractor Payment Certification" form required by the City. The form can be downloaded from the City's website at http://egov.cityofchicago.org/webportal/COCWebPortal/COC_EDITORIAL/subcompliance.pdf. The statement must list the following for Vendor and for each Subcontractor and supplier for the period for which payment is requested:

- (i) Total amount invoiced by the Vendor for the prior month;
- (ii) The name of each particular Subcontractor or supplier utilized during the prior month;
- (iii) Indication if the Subcontractor or supplier is acting as an MBE, WBE, DBE, or non-certified firm on this Agreement;
- (iv) The vendor/supplier number of each Subcontractor or supplier;
- (v) Total amount invoiced that is to be paid to each Subcontractor or supplier.

If a Subcontractor has satisfactorily completed its Work, or provided specified materials in accordance with the requirements of the Agreement, Vendor must pay Subcontractor for such work or materials within fourteen (14) calendar days of Vendor receiving payment from the City.

8. Article 8, Insurance and Indemnification, Section 8.1, Vendor Insurance, is deleted and replaced in its entirety with the following:

A. Vendor must provide and maintain at Vendor's own expense, during the term of this Agreement, and any time period following expiration if Vendor is required to return and perform any of the work, services or Additional Services under this Agreement, the insurance coverage and requirements specified below, insuring all operations related to the Agreement.

(i) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law, covering all employees who are to provide a service under this Agreement, and Employers Liability coverage with limits of not less than \$500,000 each accident, illness or disease.

(ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$5,000,000 per occurrence, for bodily injury, personal injury, and property damage liability. Coverages must

include the following: All premises and operations, products/completed operations, (for a minimum of two (2) years following project completion) separation of insured, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

Subcontractors performing work for Vendor may maintain limits of not less than \$1,000,000 with the same terms in this subsection.

(iii) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, Vendor must provide Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence limit, for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

Subcontractors performing work for Vendor may maintain limits of not less than \$1,000,000 with the same terms in this subsection.

(iv) All Risk Property/Installation Floater

All Risk Property/Installation Insurance must be maintained by the Vendor at replacement cost insuring loss or damage to City property including Office of Emergency Management and Communications system/equipment, computer hardware and software devices, materials, parts and supplies that are part of the project during the course of design, development, installation and testing until the project is completed, and accepted by the City. Coverage must include in transit, offsite, faulty workmanship or materials, testing and mechanical-electrical breakdown. The City of Chicago is to be named as an additional insured and loss payee.

Vendor is responsible for all loss or damage to City property at full replacement cost including the Redflex Traffic System equipment or loss to any other City property as a result of the Agreement.

Vendor is responsible for all loss or damage to personal property (including but not limited to materials, equipments, tools and supplies), owned, used, leased or rented by Vendor.

(v) Professional Liability

When any system technicians, engineers, project managers or electronic data processing (EDP) professional including but not limited to system programmers, hardware and software designers/Vendors or other professional Vendors perform work or services in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must be maintained with limits of not less than \$1,000,000. Coverage must include but not limited to contractual liability performance of or failure to perform EDP, performance of or failure to perform other computer services and failure of software product to perform the function for the

purpose intended. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work or services on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reported period of two (2) years.

(vi) Valuable Papers

When any , plans, designs, drawings, specifications, media, data, books, audit reports, records and other documents are produced, used or handled under this Agreement, Valuable Papers Insurance must be maintained in an amount to insure against any loss whatsoever, and must have limits sufficient to pay for the re-creation and reconstruction of such records.

B. Additional Requirements

Vendor must furnish the City of Chicago, Department of Procurement Services, City Hall, Room 403, 121 North LaSalle Street, Chicago, Illinois 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. Vendor must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached in Exhibit 3) or equivalent prior to Agreement award. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Vendor is not a waiver by the City of any requirements for Vendor to obtain and maintain the specified coverages. Vendor must advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Vendor of the obligation to provide insurance as specified in this Agreement. Non-fulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to terminate the Agreement or to suspend the Agreement until proper evidence of insurance is provided.

The insurance must provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

All deductibles or self insured retentions on referenced insurance coverages must be borne by Vendor.

Vendor must require that insurers waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents or representatives.

The coverages and limits furnished by Vendor in no way limit the Vendor's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self insurance programs maintained by the City of Chicago do not contribute with insurance provided by Vendor under the Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

Vendor must require all Subcontractors to provide the insurance required in this Agreement, or Vendor may provide the coverages for Subcontractors. All Subcontractors are subject to the same insurance requirements of Vendor unless otherwise specified in this Agreement.

If Vendor or Subcontractors desire additional coverage, the party desiring the (additional coverages is responsible for its acquisition and cost.

The City of Chicago's Risk Management Department maintains the right to modify, delete, alter or change these requirements.

9. Article 10, Section 10.6, Chicago "Living Wage" Ordinance, Subsection c, is deleted and replaced in its entirety with the following:

(c) As of July 1, 2006, the Base Wage is \$10.00 per hour, and each July 1 thereafter, the Base Wage will be adjusted using the most recent federal poverty guidelines for a family of four as published annually by the U.S. Department of Health and Human Services, to constitute the following: the poverty guidelines for a family of four divided by 2000 hours or the current base wage, whichever is higher. The currently applicable Base Wage is available from the Department of Procurement Services. At all times during the term of this Agreement, Vendor and all other Performing Parties must pay the Base Wage (as adjusted in accordance with the above). If the payment of prevailing wages is required for Services done under this Agreement, and the prevailing wages for Covered Employees are higher than the Base Wage, then Vendor and all other Performing Parties must pay the prevailing wage rates.

10. Article 13, General Conditions, is amended by adding a new Section 13.12, Electronic Ordering and Invoices, as follows:

"13.12, Electronic Ordering and Invoices

Vendor will cooperate in good faith with the City in implementing electronic ordering and invoicing, including but not limited to catalogs, purchase orders, releases, and invoices. Vendor will accept electronic purchase orders and releases upon request of the Chief Procurement Officer. Vendor will provide the City electronic catalogs, copies of invoices and other electronic documents upon request. The electronic ordering and invoice documents will be in a format specified by the City and transmitted by an electronic means specified by the City. Such electronic means may include, but are not limited to, disks, e-mail, EDI, FTP, web sites, and third party electronic services. The Chief Procurement Officer reserves the right to change the document format and/or the means of transmission upon written notice to Vendor. Vendor will ensure that the essential information, as determined by the Chief Procurement Officer, in the electronic document, corresponds to that information submitted by Vendor in its paper documents.

By written notice to Vendor, the Chief Procurement Officer may, for purposes of this contract, deem any or all of the electronic ordering and invoice documents the official documents and/or eliminate the requirement for paper ordering and invoice documents.”

11. Article 13, General Conditions, is amended by adding a new Section 13.13, Participation by Other Local Government Agencies, as follows:

“13.13 Participation by Other Local Government Agencies

Other local government agencies may be eligible to participate in this agreement pursuant to the terms and conditions of this Agreement if such agencies are authorized, by law or their governing bodies, to execute such purchases, and if such authorization is allowed by the City of Chicago’s Chief Procurement Officer, and if such purchases have no net adverse effect on the City of Chicago, and result in no diminished services from the Vendor to the City’s user departments pursuant to such purchases. Examples of such Local Government Agencies are: Board of Education, Chicago Park District, City Colleges of Chicago, Chicago Transit Authority, Chicago Housing Authority, Chicago Board of Elections, Metropolitan Pier and Exposition Authority (McCormick Place, Navy Pier), and the Municipal Courts. Said purchases will be made upon the issuance of a purchase order directly from the Local Government Authority. The City will not be responsible for payment of any amounts owed by any other Local Government Agencies, and will have no liability for the acts or omissions of any other Local Government Agency.”

12. Article 14, Notices, is amended by deleting the following:

Chicago Department of Transportation
30 North LaSalle Street, Suite 110
Chicago, Illinois 60602
Attention: Commissioner

13. Article 14, Notices, is amended by adding the following:

Office of Emergency Management and Communications
1411 West Madison Street
Chicago, Illinois 60602
Attention: Executive Director

14. Exhibits 1, Statement of Work, is deleted and replaced in its entirety with the following:

A. Site Analysis

In order to assist the Executive Director in selecting the intersections at which the Systems are to be installed, at the request of the Executive Director, Vendor will:

- i. Perform a video analysis that measures the number of violations by approach with surveys to be completed upon City's request;
- ii. Inspect the pavement conditions and existing pavement markings;
- iii. Submit to the Executive Director a report that summarizes the results of the video analysis with surveys to be completed upon the City's request and the intersection of the pavement conditions and the existing pavement markings;

Within ten (10) days of the Executive Director's selecting (with the advice of the CPD) an intersection at which a System is to be installed, Vendor will submit to OEMC for approval the Installation Plans for the System.

B. System Installation

Vendor will install each System in accordance with the terms of this Agreement (including Exhibit 12). All work performed within the public way must meet all applicable City and State of Illinois standards for construction including those standards relating to traffic control. Vendor will provide a phone connection to each System for remote access. Vendor will install, but not maintain, on Equipment signage provided by the City.

C. System Operation

Vendor will operate (i.e., cause the System to function in accordance with the terms of this Agreement) each System 24 hours a day, 7 days a week, during the term of the Agreement, as may be amended. At a minimum, each System must be operational (in accordance with the terms of this Agreement) 95 percent of any consecutive 30-day period and 85 percent of the images of Red Light Violations during any consecutive 30-day period must be Enforceable Images. For purposes of calculating the percentage of images of Red Light Violations that are Enforceable Images, the number of Red Light Violations will not include those Red Light Violations: (a) for which the view from the System camera to the license plate of the vehicle committing the Red Light Violation is obstructed by either a ball hitch on the vehicle committing the Red Light Violation or a third-party vehicle; (b) for which the license plate of the vehicle committing the Red Light Violation is out of the camera frame because the vehicle is within more than one lane of traffic; and (c) that occur between the time a System pole is knocked down by a third-party and the earlier of the time that the pole is repaired (e.g., re-installed) by Vendor or 48 hours after the knock-down of the pole. As part of the operation of each

System, Vendor will provide, in a manner consistent with Section 4.11, the City with continuous web-based access to real-time images from each of the Systems.

D. Support, Maintenance and Repair (including replacement) Services

Vendor will provide support, maintenance and repair (including replacement) services in accordance with Exhibit 4.

E. Training

Vendor will provide training in accordance with Section 4.15.

F. Public Information / Outreach Services

During the term of this Agreement, as may be amended, Vendor will provide approximately 50 hours per quarter of assistance to the City for (i) the compilation of brochures regarding industry updates and frequent questions regarding DARLEP and (ii) the development and implementation of a public awareness program regarding DARLEP.

G. Reporting Services

Vendor will provide the reports identified in Exhibit 4. In addition, Vendor will provide statistical reports and safety overviews, as may be reasonably requested by the Executive Director.

H. Operational Support

1. Digital Image Verification and Storage / Revenue Coordination

Within two (2) business days following the date on which an apparent Red Light Violation is recorded by a System, Vendor will perform Digital Image Verification and transfer to the Department of Revenue those digital images that Vendor reasonably believes would constitute Enforceable Images (the "Verification Images"). Vendor will provide the City with internet access to Vendor's "Police Authorization" module to enable the Department of Revenue to review the Verification Images (see paragraph item H.2 below). Within two (2) days following notice from the Department of Revenue, Vendor will transfer (via an FTP site) to the Department of Revenue those digital images that the Department of Revenue has determined constitute Enforceable Images. In accordance with Section 9-102-030 of the Municipal Code of the City of Chicago, the Department of Revenue, as opposed to Vendor, is responsible for mailing citations to the registered owner of the vehicle that committed a violation of Sections 9-8-020(c) or 9-16-030(c) of the Municipal Code of the City of Chicago.

Vendor will store all images produced by the Systems and related data for two (2) years from the date that such image and data were produced. Vendor will store each day's images in a separate directory.

2. Web-Based Authorization Services

Vendor will provide web-based access to the City for verifying Red Light Violations. That web-based access will be available 24 hours a day, 7 days a week with the following exception: routine maintenance performed on weekends between 4 a.m. and 6 a.m. Central Standard Time. Vendor must obtain the Executive Director's approval prior to installing any upgrades (including browser and encryption upgrades) that may affect the City's ability to connect to Vendor's website or the FTP server's ability to perform normal operations.

Vendor's web-based access will provide the City the ability to review and approve or reject Red Light Violations. Vendor will send to the City via FTP all Red Light Violations that are approved by the City for processing as a citation. All data created during this process is the property of the City. Vendor will provide the City with web-based access to reports regarding the quantities of Red Light Violations from each System and the reasons for Vendor's determining that an image was not a Verification Image. The City will use a public utility crystal report generation tool combined with Internet Explorer version 5.0 or higher to access those reports.

3. Relocation

At the request of the Executive Director, Vendor will temporarily remove (and re-install) or relocate In-Ground Loops.

4. On Line Viewing of Violations from the Internet

Vendor will create and maintain a web site, with coordination of the City's Department of Revenue on citation verbiage, specifically designed for citizens the ability to view their violation on-line from any Internet accessible computer. Citizens will be required to type in a city code (which will be provided to them on the citation), the citation number and the license plate of their vehicle. This will give them immediate access to a 12 second full color digital video of their specific violation. It is anticipated that this enhanced feature will increase public acceptance of the technology while at the same time reduce the number of appeal hearings requested.

5. Local Processing Center

Vendor will also commit to opening a processing center within the corporate limits of Chicago, where all Vendor performed verifications of Chicago detections will occur. This facility will also house a local Customer Service Representative as well as provide office space and work space for Chicago based technical services staff. This facility is expected to be staffed on a full-time basis.

6. Statistical and Analytical Reports

Vendor technicians will provide relevant statistical and analytical reports for the City as needed. A monthly report is generated and given to the Mayor detailing activities from each System active within the City at that time. This report will include violation counts and prosecutability ratios. Additional reports could be created to meet the informational needs as they develop.

7. Coordinate and React to FOIA Requests

Vendor proposes to search data banks for Freedom of Information Act ("FOIA") requested information and, if available, copy that data onto a suitable media for transmittal to the requesting citizen or news media outlet. Such transmittal could be on a CD or DVD or other electronic means.

8. Substantially Increase Storage Capability

Vendor will substantially increase storage capability in order to record and save digital streaming video from each and every location within the city for 72 hours. Additionally, Vendor will, upon request, copy that data to the City in a format that is compatible to the City's equipment.

9. Background Checks

At the City of Chicago's request, Vendor will make available all reports on employee's background and employment history on contractors working under this Agreement.

15. Exhibits, is amended by adding a new **Exhibit 1B, Scope of Work – Construction**, as follows:

The following details describe the work to be completed in a "*standard*" red light enforcement installation; all work outside of the scope shown is to be assessed and billed accordingly. This additional invoice would be added to the payment schedule as shown in Exhibit 2. A line item detail (invoice) will be submitted to Chicago prior to the undertaking of construction. A signature from a City Officer will be required for the commencement of any required work outside the scope described.

The work to be completed is to include but not limited to the following;

EQUIPMENT

Equipment – Each intersection will contain at maximum the following; a roadside cabinet, 2 camera housings (enclosures), 4 flash units (wattage to be determined by vendor), 4 posts to support camera/flash housing and a streaming video server.

This is to Take into Account and Include Items Listed in Exhibit 1-A.

SELECTION PROCESS

Preliminary Walk Through – Vendor shall inspect sites prior to final selection of an enforcement intersection. Visit to include; visual check of road conditions, verify stop bar to be in place, confirm line of sight for photo equipment, visual inspection of utility conflicts (to be later confirmed by Chicago Office of Underground Coordination (OUC)), measurement of power at time of visit and status of signal controllers. Upon completion a report will be submitted to Chicago officials detailing each direction of every intersection submitted for review.

Following the Preliminary Walk Through, Vendor will Coordinate a Subsequent Visit with Electrical Contractor, Chicago Bureau of Electricity (BOE) and Other Utilities as Required.

COMMUNICATIONS

Internet Connection – Vendor will make arrangements for Internet Service Provider (ISP) hookup at each site. Vendor has authorization to select ISP of choice. If another technology or process becomes available the City and vendor must agree to terms prior to change.

Current Providers Include Comcast Cable and AT & T Internet

CONDUCTORS

Between City Traffic Cabinet and Vendor Installed Road Side Cabinet

Power – A 40amp breaker is to be installed in the City traffic control cabinet. This is to supply 120Vac to the vendor roadside cabinet. Three conductors (power, neutral & ground), at minimum #8Awg copper stranded, will be installed to carry the 120 volts.

Phasing – A solid #14Awg conductor per each monitored signal will be installed. This is to include the installation of an inline fuse kit per each conductor with a 3Amp fuse to be placed in the City traffic control cabinet.

Between Vendor Installed Road Side Cabinet and Camera/Flash Housings

Power – Between each housing and the road side cabinet 2 conductors (power & neutral) to be installed, each conductor to be at minimum #10Awg stranded copper.

Ground – #8Awg copper conductor shall be used between vendor roadside cabinet and each housing, the conductor will be connected to each foundation ground rod.

Between Vendor Installed Road Side Cabinet and Camera Housing

Communications – 3 Cat5 or Cat6 cables to be installed between each camera enclosure and vendor installed roadside cabinet. This run is not to exceed 330ft, the maximum distance allowable distance for confirmed communications using Cat5 or Cat6 cable.

Between Camera Housing and Flash Housing

Flash Trigger – A #18Awg stranded copper double twisted pair (4 conductors) will be installed between the camera enclosure and each flash arm.

Between Road Detection Loops (Junction Box) and Vendor Installed Road Side Cabinet

Lead In Cable – Consists of twisted pairs #14Awg stranded and shielded to be installed between vendor's road side cabinet and Junction box.

Between Vendor Installed Road Side Cabinet and ISP Provider Hookup

ISP Hookup – Cat5, Cat6 or Coax cable will be installed between vendor installed cabinet and utility access for ISP provider.

A Conductor Schedule is Submitted with Each Print to be Approved by the City

CONDUITS

Under Roadways – Per agreement between Chicago BOE and vendor the use of existing conduits is permissible by vendor, if space allows. If it is found conduits in place do not have sufficient space to allow the required conductors needed for photo enforcement and directional boring is necessary it will be presented as an invoiced item prior to work commencing. Vendor agrees to make every effort to use existing conduit.

Under Walkways – At minimum a 2 inch conduit will be installed to allow conductors to be put in place between the vendor road side cabinet and enclosure/flash housings. Another application would be the ISP connection; conduit is to be put in place to allow connectivity between ISP hub and vendor road side cabinet. The process in which the conduit will be put in place shall be trenching or directional boring. Vendor agrees to be minimally intrusive of surrounding area.

Under Curb – At minimum a 1 inch conduit per each pair of detection loops will be installed under the curb extending from the roadway to sidewalk/walkway. This is commonly referred to as the loop dive, allowing the loop wire to be run under the curb.

All Conduit Placement to be Approved through Standard CDOT OUC Process

FOUNDATIONS

Roadside Cabinet - Foundation is to be dug and concrete poured to secure the road side cabinet. Foundation depth to be at minimum 3' or 6" below the frost line, the dimensions to be disclosed with each submitted print. As current the foundation is a 28" square.

Camera/Flash Housings – Foundation is to be dug and concrete poured to secure the camera and flash housing. Foundation depth to be at minimum 3' or 6" below the frost line, the dimensions to be disclosed with each submitted print. Foundation maybe round or square, as current the dimensions are 24" round.

All Foundations to have ¾" by 15' Ground Rod Installed

LOOPS

Presence Loop – International Municipal Signal Association (IMSA) #14Awg wire to be used for standard detection loops. Each lane is to contain no more then 2 loops, leading and lagging. Up to 4 contiguous lanes can have presence loops installed.

Junction Box – Commonly referred to as a Quazite box to be installed in walkway to allow access to loop splice. This is done for the convenience of maintaining loops.

Road Conditions – Vendor will complete a walk through of all approaches prior to construction this is to include a visual inspection of road conditions. A written report will be submitted to the City. If the road conditions pass the visual inspection the vendor will warrant loop operation for 1 year from GO LIVE date, this is to include road repairs needed to sustain operation of loops. A waiver must be signed by Chicago of 1yr liability of loops for construction to take place if road conditions to not meet vendors requirements.

All other Detection Types would have to be Agreed upon by Vendor and City prior to Install, this to include Piezo, Secondary Red Light and Video Loops

SIGNS

Photo Enforcement Signs – Vendor is to install and maintain photo enforcement signs during the duration of contract.

Signs to Match Current Design Put in Place by City

RESTORATION

Finishing of Construction – Vendor will restore the work environment to at minimum the same condition prior to the start of construction. Vendor will strive be minimal in their obtrusiveness in the construction area. This is to include walkways (sidewalk or parkways), roads and physical appearance of nearby structures. Any disturbance directly related to construction of red light equipment to be held liable by vendor or its subcontractors.

All Work to be Completed Outside the DIRECT Restoration of the Disturbed Environment by Vendor to be Invoiced to City

16. Exhibit 2 of the Agreement, Schedule of Compensation is deleted and replaced in its entirety with the following:

Vendor will invoice the City in the amount of \$100,000 for each System that the City accepts (i.e., System Acceptance). The \$100,000 amount for each System includes Vendor's compensation for the System and all Redflex Program services and work provided to the City, including Vendor's:

- (a) Site analysis;
- (b) System installation;
- (c) Warranty for 12 months following System Acceptance of that System:
See Exhibit 1; C through G.

Vendor will not be compensated separately for the above work, parts, and services.

At the election of the City and for the Systems selected by the City, \$2,250 per System per month, for the Item (c) Services (following the period in which those services were included within the \$100,000 System purchase price). That monthly fee includes all costs relating to the Item (c) Services, including parts and labor.

Operational Support: \$2,750 per System per month. See Exhibit 1; H

Temporary removal (including re-installation) of In-Ground Loops: \$700 a loop.

Vendor will submit monthly invoices (in triplicate) to the City, in accordance with the schedule of compensation set for in this Exhibit 2. The invoices must be in such detail as the City requests. The City will process payment within 60 days after receipt of invoices and all supporting documentation necessary for the City to verify the Systems, work and services provided and accepted under this Agreement.

17. Exhibit 4, Support, Maintenance and Repair (including replacement) Services, Support and Maintenance Generally, is amended by adding the following:

- j. Exterior cleaning of cabinets and camera enclosures.
- k. Graffiti removal at each location. Technicians will paint over graffiti and touch up equipment as needed.

- l. Preliminary electrical grounding inspection and verification, each foundation is given a ground rod. Onsite visits require the technician to confirm connections to each ground rod.
- m. Incoming AC voltage checks using a digital volt meter. Any locations showing a 10% variance of the expected rated voltage is reported to Chicago Streets and Sanitation, Bureau of Electricity (BOE).
- n. The 12Volt power supply is confirmed operational and a check of the voltage is done. If there is a ½ volt or greater difference an adjustment is made.
- o. Ohm resistance checks to ensure that loop detection devices are functioning properly; if a reading greater then 2 Ohms is measured the loop is inspected.
- p. Physically opening each cabinet and inspecting to ensure cleanliness and safe connectivity of all wiring and switches.
- q. Clean the glass of each system and weather treat it.
- r. Inspection and verification of heating elements.
- s. Confirm all PHOTO ENFORCEMENT signs to be in place.
- t. Check of Quazite box and examination of loop splices.
- u. Removal of ice and snow as weather dictates.
- v. Street inspection to ensure that roadway conditions, to include painted violation lines, are suitable for detection and prosecution.
- w. Communications verification by PINGING a specific remote IP address.
- x. Certification validity will be checked and renewed as needed.
- y. Recording and documenting each visit, an onsite worksheet is filled out by the technician and is kept electronically.
- z. A monthly maintenance report detailing results will be given to appropriate City officials.

18. Exhibit 4, Support, Maintenance and Repair (including replacement) Services, Equipment Maintenance and Support, is amended by adding the following;

- j. Liability of Roads – Vendor’s liability for road conditions is one year after acceptance of the system. After one year, the City will be responsible to ensure road surfaces are repaired and in a condition that allows for ongoing system operation so no sensor deterioration is experiences.
- k. Power – Vendor requires 120Vac and a 40 Amp breaker to be provided by the City. City is to provide a minimum of 118Vac to 122Vac and a minimum of 20 Amps to Vendor’s equipment.

1. Knockdowns – Vendors commits to the City to have system knockdowns rebuilt within 48 to 72 hours. System knockdown will not be calculated against the agreed 95 percent operation time stipulation. The cost associated with the repair and or replacement of parts and/or associated construction of the knockdowns will be invoiced to the City.

19. Exhibit 9, Schedule of Prevailing Wage Rates, is deleted and replaced in its entirety with the following:

NOTE: The attached wage rates are also the prevailing wage rates for the City of Chicago, as determined by the Illinois Department of Labor as of the date of publication of these specifications.

The attached wage rates are the rates in effect at the time of the Effective Date. If the Illinois Department of Labor (see <http://www.state.il.us/agency/idol/rates/EVENMO/COOK9999.htm>) revises the prevailing rate of hourly wages to be paid for the work or services to be performed pursuant to the Agreement before the expiration of the Agreement, the revised rate applies to this Agreement from the effective date of the revision, but the revision does not entitle Vendor to any increased compensation under the terms of this Agreement.

Cook County Prevailing Wage for February 2007

Trade Name	RG	TYP	C	Base	FRMAN	*M-F>8	OSA	OSH	H/W	Pensn	Vac	Trng
=====	==	===	=	=====	=====	=====	===	===	=====	=====	=====	=====
ASBESTOS ABT-GEN	ALL			31.550	32.300	1.5	1.5	2.0	7.460	4.840	0.000	0.170
ASBESTOS ABT-MEC	BLD			23.300	24.800	1.5	1.5	2.0	7.860	4.910	0.000	0.000
BOILERMAKER	BLD			38.540	42.000	2.0	2.0	2.0	6.720	6.940	0.000	0.300
BRICK MASON	BLD			33.250	36.580	1.5	1.5	2.0	6.450	7.020	0.000	0.440
CARPENTER	ALL			36.520	38.520	1.5	1.5	2.0	7.960	5.910	0.000	0.490
CEMENT MASON	ALL			38.200	40.200	2.0	1.5	2.0	6.790	5.620	0.000	0.170
CERAMIC TILE FNSHER	BLD			28.520	0.000	2.0	1.5	2.0	5.650	5.750	0.000	0.330
COMM. ELECT.	BLD			32.440	34.940	1.5	1.5	2.0	6.930	5.320	0.000	0.700
ELECTRIC PWR EQMT OP	ALL			36.050	42.000	1.5	1.5	2.0	7.870	9.730	0.000	0.270
ELECTRIC PWR GRNDMAN	ALL			28.120	42.000	1.5	1.5	2.0	6.140	7.600	0.000	0.210
ELECTRIC PWR LINEMAN	ALL			36.050	42.000	1.5	1.5	2.0	7.870	9.730	0.000	0.270
ELECTRICIAN	ALL			36.300	38.900	1.5	1.5	2.0	9.530	7.250	0.000	0.750
ELEVATOR CONSTRUCTOR	BLD			42.045	47.300	2.0	2.0	2.0	8.275	6.060	2.520	0.550
FENCE ERECTOR	ALL			27.140	28.640	1.5	1.5	2.0	7.500	7.590	0.000	0.250
GLAZIER	BLD			31.400	32.400	1.5	2.0	2.0	6.490	9.050	0.000	0.500
HT/FROST INSULATOR	BLD			33.300	35.050	1.5	1.5	2.0	7.860	8.610	0.000	0.310
IRON WORKER	ALL			38.250	40.250	2.0	2.0	2.0	9.470	11.27	0.000	0.300
LABORER	ALL			31.550	32.300	1.5	1.5	2.0	7.460	4.840	0.000	0.170
LATHER	BLD			36.520	38.520	1.5	1.5	2.0	7.960	5.910	0.000	0.490
MACHINIST	BLD			36.890	38.890	2.0	2.0	2.0	4.380	5.650	2.550	0.000
MARBLE FINISHERS	ALL			25.750	0.000	1.5	1.5	2.0	6.070	7.020	0.000	0.580
MARBLE MASON	BLD			34.850	38.340	1.5	1.5	2.0	7.050	7.870	0.000	0.490
MATERIAL TESTER 1	ALL			21.550	0.000	1.5	1.5	2.0	7.460	4.840	0.000	0.170
MATERIALS TESTER II	ALL			26.550	0.000	1.5	1.5	2.0	7.460	4.840	0.000	0.170
MILLWRIGHT	ALL			36.520	38.520	1.5	1.5	2.0	7.960	5.910	0.000	0.490
OPERATING ENGINEER	BLD 1			41.550	45.550	2.0	2.0	2.0	6.850	5.600	1.900	0.700
OPERATING ENGINEER	BLD 2			40.250	45.550	2.0	2.0	2.0	6.850	5.600	1.900	0.700
OPERATING ENGINEER	BLD 3			37.700	45.550	2.0	2.0	2.0	6.850	5.600	1.900	0.700
OPERATING ENGINEER	BLD 4			35.950	45.550	2.0	2.0	2.0	6.850	5.600	1.900	0.700
OPERATING ENGINEER	FLT 1			42.700	42.700	1.5	1.5	2.0	6.050	4.850	1.800	0.000
OPERATING ENGINEER	FLT 2			41.200	42.700	1.5	1.5	2.0	6.050	4.850	1.800	0.000
OPERATING ENGINEER	FLT 3			36.650	42.700	1.5	1.5	2.0	6.050	4.850	1.800	0.000
OPERATING ENGINEER	FLT 4			30.500	42.700	1.5	1.5	2.0	6.050	4.850	1.800	0.000
OPERATING ENGINEER	HWY 1			39.750	43.750	1.5	1.5	2.0	6.850	5.600	1.900	0.700
OPERATING ENGINEER	HWY 2			39.200	43.750	1.5	1.5	2.0	6.850	5.600	1.900	0.700
OPERATING ENGINEER	HWY 3			37.150	43.750	1.5	1.5	2.0	6.850	5.600	1.900	0.700
OPERATING ENGINEER	HWY 4			35.750	43.750	1.5	1.5	2.0	6.850	5.600	1.900	0.700
OPERATING ENGINEER	HWY 5			34.550	43.750	1.5	1.5	2.0	6.850	5.600	1.900	0.700
ORNAMNTL IRON WORKER	ALL			35.600	37.600	2.0	2.0	2.0	7.500	10.84	0.000	0.750
PAINTER	ALL			34.400	38.700	1.5	1.5	1.5	6.200	6.400	0.000	0.390
PAINTER SIGNS	BLD			28.260	31.730	1.5	1.5	1.5	2.600	2.260	0.000	0.000
PILEDRIIVER	ALL			36.520	38.520	1.5	1.5	2.0	7.960	5.910	0.000	0.490
PIPEFITTER	BLD			37.600	39.600	1.5	1.5	2.0	8.660	6.900	0.000	0.940
PLASTERER	BLD			33.850	35.350	1.5	1.5	2.0	6.740	7.100	0.000	0.400
PLUMBER	BLD			39.700	41.700	1.5	1.5	2.0	8.170	4.560	0.000	0.940
ROOFER	BLD			33.650	35.650	1.5	1.5	2.0	6.460	3.310	0.000	0.330
SHEETMETAL WORKER	BLD			33.400	36.070	1.5	1.5	2.0	6.460	7.850	0.000	0.590
SIGN HANGER	BLD			25.150	26.000	1.5	1.5	2.0	4.180	2.400	0.000	0.000
SPRINKLER FITTER	BLD			37.500	39.500	1.5	1.5	2.0	8.000	5.850	3.600	0.500
STEEL ERECTOR	ALL			36.250	37.750	2.0	2.0	2.0	8.970	10.77	0.000	0.300
STONE MASON	BLD			33.250	36.580	1.5	1.5	2.0	6.450	7.020	0.000	0.440
TERRAZZO FINISHER	BLD			29.290	0.000	1.5	1.5	2.0	5.650	6.940	0.000	0.270
TERRAZZO MASON	BLD			33.650	36.650	1.5	1.5	2.0	5.650	8.610	0.000	0.300
TILE MASON	BLD			34.600	38.600	2.0	1.5	2.0	5.650	7.000	0.000	0.460

TRAFFIC SAFETY WRKR		HWY	22.800	24.400	1.5	1.5	2.0	3.078	1.875	0.000	0.000
TRUCK DRIVER	E	ALL 1	29.150	29.800	1.5	1.5	2.0	5.650	4.300	0.000	0.000
TRUCK DRIVER	E	ALL 2	29.400	29.800	1.5	1.5	2.0	5.650	4.300	0.000	0.000
TRUCK DRIVER	E	ALL 3	29.600	29.800	1.5	1.5	2.0	5.650	4.300	0.000	0.000
TRUCK DRIVER	E	ALL 4	29.800	29.800	1.5	1.5	2.0	5.650	4.300	0.000	0.000
TRUCK DRIVER	W	ALL 1	29.700	30.250	1.5	1.5	2.0	6.500	3.400	0.000	0.000
TRUCK DRIVER	W	ALL 2	29.850	30.250	1.5	1.5	2.0	6.500	3.400	0.000	0.000
TRUCK DRIVER	W	ALL 3	30.050	30.250	1.5	1.5	2.0	6.500	3.400	0.000	0.000
TRUCK DRIVER	W	ALL 4	30.250	30.250	1.5	1.5	2.0	6.500	3.400	0.000	0.000
TUCKPOINTER		BLD	34.500	35.500	1.5	1.5	2.0	4.710	6.340	0.000	0.400

Legend:

M-F>8 (Overtime is required for any hour greater than 8 worked each day, Monday through Friday.)
 OSA (Overtime is required for every hour worked on Saturday)
 OSH (Overtime is required for every hour worked on Sunday and Holidays)
 H/W (Health & Welfare Insurance)
 Pensn (Pension)
 Vac (Vacation)
 Trng (Training)

Explanations

COOK COUNTY

TRUCK DRIVERS (WEST) - That part of the county West of Barrington Road.

The following list is considered as those days for which holiday rates of wages for work performed apply: New Years Day, Memorial/Decoration Day, Fourth of July, Labor Day, Veterans Day, Thanksgiving Day, Christmas Day. Generally, any of these holidays which fall on a Sunday is celebrated on the following Monday. This then makes work performed on that Monday payable at the appropriate overtime rate for holiday pay. Common practice in a given local may alter certain days of celebration such as the day after Thanksgiving for Veterans Day. If in doubt, please check with IDOL.

EXPLANATION OF CLASSES

ASBESTOS - GENERAL - removal of asbestos material/mold and hazardous materials from any place in a building, including mechanical systems where those mechanical systems are to be removed. This includes the removal of asbestos materials/mold and hazardous materials from ductwork or pipes in a building when the building is to be demolished at the time or at some close future date.

ASBESTOS - MECHANICAL - removal of asbestos material from mechanical systems, such as pipes, ducts, and boilers, where the mechanical systems are to remain.

CERAMIC TILE FINISHER

The grouting, cleaning, and polishing of all classes of tile, whether for interior or exterior purposes, all burned, glazed or unglazed products; all composition materials, granite tiles, warning detectable tiles, cement tiles, epoxy composite materials, pavers, glass, mosaics, fiberglass, and all substitute materials, for tile made in tile-like units; all mixtures in tile like form of cement, metals, and other materials that are for and intended for use as a finished floor

surface, stair treads, promenade roofs, walks, walls, ceilings, swimming pools, and all other places where tile is to form a finished interior or exterior. The mixing of all setting mortars including but not limited to thin-set mortars, epoxies, wall mud, and any other sand and cement mixtures or adhesives when used in the preparation, installation, repair, or maintenance of tile and/or similar materials. The handling and unloading of all sand, cement, lime, tile, fixtures, equipment, adhesives, or any other materials to be used in the preparation, installation, repair, or maintenance of tile and/or similar materials. Ceramic Tile Finishers shall fill all joints and voids regardless of method on all tile work, particularly and especially after installation of said tile work. Application of any and all protective coverings to all types of tile installations including, but not be limited to, all soap compounds, paper products, tapes, and all polyethylene coverings, plywood, masonite, cardboard, and any new type of products that may be used to protect tile installations, Blastrac equipment, and all floor scarifying equipment used in preparing floors to receive tile. The clean up and removal of all waste and materials. All demolition of existing tile floors and walls to be re-tiled.

COMMUNICATIONS ELECTRICIAN - Installation, operation, inspection, maintenance, repair and service of radio, television, recording, voice sound vision production and reproduction, telephone and telephone interconnect, facsimile, data apparatus, coaxial, fibre optic and wireless equipment, appliances and systems used for the transmission and reception of signals of any nature, business, domestic, commercial, education, entertainment, and residential purposes, including but not limited to, communication and telephone, electronic and sound equipment, fibre optic and data communication systems, and the performance of any task directly related to such installation or service whether at new or existing sites, such tasks to include the placing of wire and cable and electrical power conduit or other raceway work within the equipment room and pulling wire and/or cable through conduit and the installation of any incidental conduit, such that the employees covered hereby can complete any job in full.

MARBLE FINISHER

Loading and unloading trucks, distribution of all materials (all stone, sand, etc.), stocking of floors with material, performing all rigging for heavy work, the handling of all material that may be needed for the installation of such materials, building of scaffolding, polishing if needed, patching, waxing of material if damaged, pointing up, caulking, grouting and cleaning of marble, holding water on diamond or Carborundum blade or saw for setters cutting, use of tub saw or any other saw needed for preparation of material, drilling of holes for wires that anchor material set by setters, mixing up of molding plaster for installation of material, mixing up thin set for the installation of material, mixing up of sand to cement for the installatin of material and such other work as may be required in helping a Marble Setter in the handling of all material in the erection or installation of interior marble, slate, travertine, art marble, serpentine, alberene stone, blue stone, granite and other stones (meaning as to stone any foreign or domestic materials as are specified and used in building interiors and exteriors and customarily known as stone in the trade), carrara, sanionyx, vitrolite and similar opaque glass and the laying of all marble tile, terrazzo tile, slate tile and precast tile, steps, risers

treads, base, or any other materials that may be used as substitutes for any of the aforementioned materials and which are used on interior and exterior which were installed in a similar manner.

MATERIAL TESTER I: Hand coring and drilling for testing of materials; field inspection of uncured concrete and asphalt.

MATERIAL TESTER II: Field inspection of welds, structural steel, fireproofing, masonry, soil, facade, reinforcing steel, formwork, cured concrete, and concrete and asphalt batch plants; adjusting proportions of bituminous mixtures.

TERRAZZO FINISHER

The handling of sand, cement, marble chips, and all other materials that may be used by the Mosaic Terrazzo Mechanic, and the mixing, grinding, grouting, cleaning and sealing of all Marble, Mosaic, and Terrazzo work, floors, base, stairs, and wainscoting by hand or machine, and in addition, assisting and aiding Marble, Masonic, and Terrazzo Mechanics.

OPERATING ENGINEERS - BUILDING

Class 1. Mechanic; Asphalt Plant; Asphalt Spreader; Autograde; Backhoes with Caisson attachment; Batch Plant; Benoto; Boiler and Throttle Valve; Caisson Rigs; Central Redi-Mix Plant; Combination Back Hoe Front End-loader Machine; Compressor and Throttle Valve; Concrete Breaker (Truck Mounted); Concrete Conveyor; Concrete Paver; Concrete Placer; Concrete Placing Boom; Concrete Pump (Truck Mounted); Concrete Tower; Cranes, All; Cranes, Hammerhead; Cranes, (GCI and similar Type); Creter Crane; Crusher, Stone, etc.; Derricks, All; Derricks, Traveling; Formless Curb and Gutter Machine; Grader, Elevating; Grouting Machines; Highlift Shovels or Front Endloader 2-1/4 yd. and over; Hoists, Elevators, outside type rack and pinion and similar machines; Hoists, one, two and three Drum; Hoists, Two Tugger One Floor; Hydraulic Backhoes; Hydraulic Boom Trucks; Hydro Vac (and similar equipment); Locomotives, All; Motor Patrol; Pile Drivers and Skid Rig; Post Hole Digger; Pre-Stress Machine; Pump Cretes Dual Ram; Pump Cretes; Squeeze Cretes-screw Type Pumps; Raised and Blind Hole Drill; Roto Mill Grinder; Scoops - Tractor Drawn; Slip-form Paver; Straddle Buggies; Tournapull; Tractor with Boom and Side Boom; Trenching Machines.

Class 2. Boilers; Broom, All Power Propelled; Bulldozers; Concrete Mixer (Two Bag and Over); Conveyor, Portable; Forklift Trucks; Greaser Engineer; Highlift Shovels or Front Endloaders under 2-1/4 yd.; Hoists, Automatic; Hoists, inside Freight Elevators; Hoists, Sewer Dragging Machine; Hoists, Tugger Single Drum; Laser Screed; Rock Drill self-propelled); Rock Drill (truck mounted); Rollers, All; Steam Generators; Tractors, All; Tractor Drawn Vibratory Roller; Winch Trucks with "A" Frame.

Class 3. Air Compressor; Combination - Small Equipment Operator; Generators; Heaters, Mechanical; Hoists, Inside Elevators - (Rheostat Manual Controlled); Hydraulic Power Units (Pile Driving, Extracting, and Drilling); Pumps, over 3" (1 to 3 not to exceed a total of 300 ft.); Pumps, Well Points; Welding Machines (2 through 5); Winches, 4 small Electric Drill Winches; Bobcat (up to and including 3/4 cu. yd.).

Class 4. Bobcats and/or other Skid Steer Loaders; Oilers; and Brick Forklift.

OPERATING ENGINEERS - FLOATING

Class 1. Craft foreman (Master Mechanic), diver/wet tender, engineer (hydraulic dredge).

Class 2. Crane/backhoe operator, mechanic/welder, assistant engineer (hydraulic dredge), leverman (hydraulic dredge), and diver tender.

Class 3. Deck equipment operator (machineryman), maintenance of crane (over 50 ton capacity) or backhoe (96,000 pounds or more), tug/launch operator, loader, dozer and like equipment on barge, breakwater wall, slip/dock or scow, deck machinery, etc.

Class 4. Deck equipment operator machineryman/fireman), (4 equipment units or more) and crane maintenance 50 ton capacity and under or backhoe weighing 96,000 pounds or less, assistant tug operator.

OPERATING ENGINEERS - HEAVY AND HIGHWAY CONSTRUCTION

Class 1. Craft Foreman; Asphalt Plant; Asphalt Heater and Planer Combination; Asphalt Heater Scarfire; Asphalt Spreader; Autograder/GOMACO or other similar type machines; ABG Paver; Backhoes with Caisson attachment; Ballast Regulator; Belt Loader; Caisson Rigs; Car Dumper; Central Redi-Mix Plant; Combination Backhoe Front Endloader Machine, (1 cu. yd. Backhoe Bucket or over or with attachments); Concrete Breaker (Truck Mounted); Concrete Conveyor; Concrete Paver over 27E cu. ft.; Concrete Placer; Concrete Tube Float; Cranes, all attachments; Cranes, Hammerhead, Linden, Peco & Machines of a like nature; Crete Crane; Crusher, Stone, etc.; Derricks, All; Derrick Boats; Derricks, Traveling; Dowell machine with Air Compressor; Dredges; Field Mechanic-Welder; Formless Curb and Gutter Machine; Gradall and Machines of a like nature; Grader, Elevating; Grader, Motor Grader, Motor Patrol, Auto Patrol, Form Grader, Pull Grader, Subgrader; Guard Rail Post Driver Mounted; Hoists, One, Two and Three Drum; Hydraulic Backhoes; Backhoes with shear attachments; Mucking Machine; Pile Drivers and Skid Rig; Pre-Stress Machine; Pump Cretes Dual Ram; Rock Drill - Crawler or Skid Rig; Rock Drill - Truck Mounted; Roto Mill Grinder; Slip-Form Paver; Soil Test Drill Rig (Truck Mounted); Straddle Buggies; Hydraulic Telescoping Form (Tunnel); Tractor Drawn Belt Loader (with attached pusher - two engineers); Tractor with Boom; Tractaire with Attachments; Trenching Machine; Truck Mounted Concrete Pump with Boom; Raised or Blind Hole; Drills (Tunnel Shaft); Underground Boring and/or Mining Machines; Wheel Excavator; Widener (APSCO).

Class 2. Batch Plant; Bituminous Mixer; Boiler and Throttle Valve; Bulldozers; Car Loader Trailing Conveyors; Combination Backhoe Front Endloader Machine (less than 1 cu. yd. Backhoe Bucket or over or with attachments); Compressor and Throttle Valve; Compressor, Common Receiver (3); Concrete Breaker or Hydro Hammer; Concrete Grinding Machine; Concrete Mixer or Paver 7S Series to and including 27 cu. ft.; Concrete Spreader; Concrete Curing Machine, Burlap Machine, Belting Machine and Sealing Machine; Concrete Wheel Saw; Conveyor Muck Cars (Haglund or Similar Type); Drills, All; Finishing Machine -

Concrete; Greaser Engineer; Highlift Shovels or Front Endloader; Hoist - Sewer Dragging Machine; Hydraulic Boom Trucks (All Attachments); Hydro-Blaster; All Locomotives, Dinky; Pump Cretes; Squeeze Cretes-Screw Type Pumps, Gypsum Bulker and Pump; Roller, Asphalt; Rotary Snow Plows; Rototiller, Seaman, etc., self-propelled; Scoops - Tractor Drawn; Self-Propelled Compactor; Spreader - Chip - Stone, etc.; Scraper; Scraper - Prime Mover in Tandem (Regardless of Size); Tank Car Heater; Tractors, Push, Pulling Sheeps Foot, Disc, Compactor, etc.; Tug Boats.

Class 3. Boilers; Brooms, All Power Propelled; Cement Supply Tender; Compressor, Common Receiver (2); Concrete Mixer (Two Bag and Over); Conveyor, Portable; Farm-Type Tractors Used for Mowing, Seeding, etc.; Fireman on Boilers; Forklift Trucks; Grouting Machine; Hoists, Automatic; Hoists, All Elevators; Hoists, Tugger Single Drum; Jeep Diggers; Pipe Jacking Machines; Post-Hole Digger; Power Saw, Concrete Power Driven; Pug Mills; Rollers, other than asphalt; Seed and Straw Blower; Steam Generators; Stump Machine; Winch Trucks with "A" Frame; Work Boats; Tamper - Form-Motor Driven.

Class 4. Air Compressor; Combination - Small Equipment Operator; Directional Boring Machine; Generators; Heaters, Mechanical; Hydraulic Power Unit (Pile Driving, Extracting, or Drilling); Hydro-Blaster; Light Plants, All (1 through 5); Pumps, over 3" (1 to 3 not to exceed a total of 300 ft.); Pumps, Well Points; Tractaire; Welding Machines (2 through 5); Winches, 4 Small Electric Drill Winches.

Class 5. Bobcats (all); Brick Forklifts, Oilers.

TRAFFIC SAFETY

Work associated with barricades, horses and drums used to reduce lane usage on highway work, the installation and removal of temporary lane markings, and the installation and removal of temporary road signs.

TRUCK DRIVER - BUILDING, HEAVY AND HIGHWAY CONSTRUCTION - EAST & WEST

Class 1. Two or three Axle Trucks. A-frame Truck when used for transportation purposes; Air Compressors and Welding Machines, including those pulled by cars, pick-up trucks and tractors; Ambulances; Batch Gate Lockers; Batch Hopperman; Car and Truck Washers; Carry-alls; Fork Lifts and Hoisters; Helpers; Mechanics Helpers and Greasers; Oil Distributors 2-man operation; Pavement Breakers; Pole Trailer, up to 40 feet; Power Mower Tractors; Self-propelled Chip Spreader; Skipman; Slurry Trucks, 2-man operation; Slurry Truck Conveyor Operation, 2 or 3 man; TEAMsters Unskilled dumpman; and Truck Drivers hauling warning lights, barricades, and portable toilets on the job site.

Class 2. Four axle trucks; Dump Crets and Adgetors under 7 yards; Dumpsters, Track Trucks, Euclids, Hug Bottom Dump Turnapulls or Turnatrailers when pulling other than self-loading equipment or similar equipment under 16 cubic yards; Mixer Trucks under 7 yards; Ready-mix Plant Hopper Operator, and Winch Trucks, 2 Axles.

Class 3. Five axle trucks; Dump Crets and Adgetors 7 yards and over; Dumpsters, Track Trucks, Euclids, Hug Bottom Dump Turnatrailers or

turnapulls when pulling other than self-loading equipment or similar equipment over 16 cubic yards; Explosives and/or Fission Material Trucks; Mixer Trucks 7 yards or over; Mobile Cranes while in transit; Oil Distributors, 1-man operation; Pole Trailer, over 40 feet; Pole and Expandable Trailers hauling material over 50 feet long; Slurry trucks, 1-man operation; Winch trucks, 3 axles or more; Mechanic--Truck Welder and Truck Painter.

Class 4. Six axle trucks; Dual-purpose vehicles, such as mounted crane trucks with hoist and accessories; Foreman; Master Mechanic; Self-loading equipment like P.B. and trucks with scoops on the front.

Other Classifications of Work:

For definitions of classifications not otherwise set out, the Department generally has on file such definitions which are available. If a task to be performed is not subject to one of the classifications of pay set out, the Department will upon being contacted state which neighboring county has such a classification and provide such rate, such rate being deemed to exist by reference in this document. If no neighboring county rate applies to the task, the Department shall undertake a special determination, such special determination being then deemed to have existed under this determination. If a project requires these, or any classification not listed, please contact IDOL at 618/993-7271 for wage rates or clarifications.

LANDSCAPING

Landscaping work falls under the existing classifications for laborer, operating engineer and truck driver. The work performed by landscape plantsman and landscape laborer is covered by the existing classification of laborer. The work performed by landscape operators (regardless of equipment used or its size) is covered by the classifications of operating engineer. The work performed by landscape truck drivers (regardless of size of truck driven) is covered by the classifications of truck driver.

20. Exhibit 12, Section XVI, Bonds is deleted and replaced in its entirety with the following:

Prior to performing any work or ordering any materials, supplies or equipment required in the performance of this Contract, but in no event later than 60 days after the Effective Date, you must deliver to the Chief Procurement Officer a contract performance and payment bond in the amount of \$1,359,000 for the 61st to 120th systems to be installed. This bond shall cover the period from the Effective Date until the date that is six months after the (120th) System Acceptance.

When the City notifies you that the City is ordering additional systems then you must deliver to the Chief Procurement Officer a new contract performance and payment bond in the amount equal to:

\$22,650.00 for each additional System identified in the Notice to Proceed.

Such bond shall cover the period from the date of Notice to Proceed until the date that is six months after the System Acceptance of such additional Systems.

Each new bond must cover the entire additional amount determined as above. Each new bond must be submitted to and approved by the City to performing any work or ordering any materials, supplies, or equipment needed to comply with the Notice to Proceed or the extension notice as applicable.

Any performance bond that you provide must comply with the provisions of 30 ILCS 550/1 *et seq.*, as amended, and of Chapter 2, Section 2-92-030 of the Municipal Code, as amended. It must also be in the form of the performance and payment bond form included in Exhibit 8. The surety or sureties issuing the bond must be acceptable to the Comptroller and must have a Best's Key Rating Guide of "B+," Class XI or greater and be listed in the most recently published "Listing of Approved Sureties" of the U.S. Department of the Treasury Circular 570, with underwriting limitations in excess of the Contract Price. The bond must cover the warranty period required by the Contract.

In case of your neglect, failure, or refusal to provide satisfactory sureties when so directed within 10 days after such notification, under § 2-92-040 of the Municipal Code the Chief Procurement Officer may declare this Contract forfeit, but such forfeiture will not release you or your surety or sureties from any liability that may have accrued before the date of the forfeiture.

If at any time the surety or sureties, or any one of them, upon the bond become insolvent, or are, in the sole opinion of the Chief Procurement Officer, unsatisfactory, or unable to respond to damages in case of liability on such bond, the Chief Procurement Officer will notify you and direct that you furnish a bond issued by a satisfactory surety or sureties forthwith.

21. Consultant has executed Special Conditions Regarding Minority and Women Business Enterprise Commitment Schedules C-1 and D-1, an Economic Disclosure Statement and Affidavit, provided an Insurance Certificate and a Contractor' Performance and Payment Bond, copies of which are attached to this Amendment as Exhibit 1, Exhibit 2, Exhibit 3, and Exhibit 4 respectively and incorporated here by reference.

The terms of the Agreement remain in full force and effect except as modified in this Amendment.

SIGNED at Chicago, Illinois:

CITY OF CHICAGO

By:

Mayor

Comptroller

Chief Procurement Officer

REDFLEX TRAFFIC SYSTEMS, INC.

By:

Name:

Title:

Attest:

State of

County of

This instrument was acknowledged before me on

Sandra Stevens

(name/s of person/s) as

Notary Public

(date) by

authority, e.g., officer, trustee, etc.) of

Redflex Traffic Sys.

(name of party on behalf

of whom instrument was executed).

Sandra L. Stevens

Notary Public Signature

Commission Expires:

2/27/09



Exhibit 1

**Special Conditions Regarding Minority and
Women Business Enterprise Commitment
Schedules C-1 and D-1**

**SPECIAL CONDITION REGARDING MINORITY BUSINESS ENTERPRISE
COMMITMENT AND WOMEN BUSINESS ENTERPRISE COMMITMENT
(MBE/WBE Professional Services)(10 pgs)**

I. Policy and Terms

- A. It is the policy of the City of Chicago that Local Businesses certified as Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) in accordance with Section 2-92-420 et seq. of the Municipal Code of Chicago and Regulations Governing Certification of Minority and Women-owned Businesses, and all other Regulations promulgated under the aforementioned sections of the Municipal Code shall have the maximum opportunity to participate fully in the performance of this agreement. Therefore, the contractor shall not discriminate against any person or business on the basis of race, color, national origin or sex, and shall take affirmative action to ensure that women and minority businesses shall have the maximum opportunity to compete for and perform subcontracts for supplies or services.

The Chief Procurement Officer has established a goal of awarding not less than 25% of the annual dollar value of all non-construction contracts to certified MBEs and 5% of the annual dollar value of all non-construction contracts to certified WBEs.

- B. Failure to carry out the commitments and policies set forth herein shall constitute a material breach of the contract and may result in the termination of the contract or such remedy as the City of Chicago deems appropriate.
- C. Accordingly, the contractor commits to expend at least the following percentages of the total contract price (inclusive of any and all modifications and amendments), if awarded, for contract participation by MBEs and WBEs:

MBE Contract Goal: 16.9
WBE Contract Goal: 4.5

- D. The commitment is met by the contractor's status as an MBE or WBE, or by a joint venture with one or more certified MBEs or WBEs that will perform work on the project, or by subcontracting a portion of the work to one or more MBEs or WBEs, or by the purchase of materials used in the performance of the contract from one or more MBEs or WBEs, or by the indirect participation of MBEs or WBEs in other aspects of the contractor's business (but no dollar of such indirect MBE or WBE participation shall be credited more than once against a contractor's MBE or WBE commitment with respect to all contracts of such contractor), or by any combination of the foregoing.

Note: MBE/WBE participation goals are separate and those businesses certified with the City of Chicago as both an MBE and WBE shall not be credited more than once against a contractor's MBE or WBE commitment in the performance of the contract.

- E. As noted above, the contractor may meet all or part of this commitment by contracting with MBEs or WBEs for the provision of goods or services not directly related to the performance of this contract. However, in determining the manner of MBE/WBE participation, the contractor shall first consider involvement of MBEs/WBEs as joint venture partners, subcontractors, and suppliers of goods and services directly related to the performance of this contract. In appropriate cases, the Chief Procurement Officer will require the contractor to demonstrate the specific efforts undertaken to involve MBEs and WBEs in direct participation in the performance of this contract.
- F. The contractor also may with prior approval of the Chief Procurement Officer or designee, meet all, or part, of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in private sector projects.

SPECIAL CONDITION REGARDING MBE/WBE COMMITMENT

II. Definitions

- A. **"Minority Business Enterprise" or "MBE"** means a firm awarded certification as a minority owned and controlled business in accordance with City Ordinances and Regulations.
- B. **"Women Business Enterprise" or "WBE"** means a firm awarded certification as a women owned and control business in accordance with City Ordinances and Regulations.
- C. **"Directory"** means the Directory of Certified "Disadvantaged Business Enterprises," "Minority Business Enterprises" and "Women Business Enterprises" maintained and published by the Contract Compliance Administrator. The Directory identifies firms that have been certified as MBEs and WBEs, and includes both the date of their last certification and the area of specialty in which they have been certified. Contractors are responsible for verifying the current certification status of all proposed MBE and WBE firms.
- D. **"Area of Specialty"** means the description of an MBE or WBE firm's business which has been determined by the Chief Procurement Officer to be most reflective of the MBE or WBE firm's claimed specialty or expertise. Each MBE/WBE letter of certification contains a description of the firm's Area of Specialty. This information is also contained in the Directory. Credit toward this contract's MBE and WBE participation goals shall be limited to the participation of firms performing within their Area of Specialty.

NOTICE: The Department of Procurement Services does not make any representation concerning the ability of any MBE/WBE to perform work within their Area of Specialty. It is the responsibility of all contractors to determine the capability and capacity of MBEs/WBEs to satisfactorily perform the work proposed.

- E. **"Joint Venture"** means an association of two or more businesses to carry out a single business enterprise for profit, and for which purpose they combine their expertise, property, capital, efforts, skill and knowledge. Contractors may develop joint venture agreements as an instrument to provide participation by MBEs and WBEs in contract work.
- F. **"Contract Compliance Administrator"** means the officer appointed pursuant to Section 2-92-490 of the Municipal Code of Chicago.

III. Joint Ventures

Bidders may develop joint venture agreements as an instrument to provide participation by certified MBEs and WBEs in contract work. A joint venture seeking to be credited for MBE and/or WBE participation may be formed among MBE and/or WBE firms or between an MBE and/or WBE firm and a non-MBE/WBE firm.

A joint venture is eligible for MBE or WBE credit if the MBE/WBE joint venture partner(s) share in the ownership, control and management responsibilities, risks and profits of the joint venture, and are responsible for a clearly defined portion of work to be performed, in proportion with the MBE and/or WBE ownership percentage.

Notice: The City requires that, whenever a joint venture is proposed as the prime contractor, each joint venture partner must separately sign the proposal to the City, in the pages captioned, **TO BE EXECUTED BY A CORPORATION; TO BE EXECUTED BY A PARTNERSHIP; and/or TO BE EXECUTED BY A SOLE PROPRIETOR**, as applicable.

IV. Counting MBE/WBE Participation Toward the Contract Goals

- A. The inclusion of any MBE or WBE in the contractor's MBE/WBE Utilization Plan shall not conclusively establish the contractor's right to full MBE/WBE credit for that firm's participation in the contract. Once an

SPECIAL CONDITION REGARDING MBE/WBE COMMITMENT

MBE or WBE is determined to be eligible in accordance with these rules, the total dollar value of the work awarded to the MBE or WBE may be counted toward the MBE or WBE goal except as indicated below:

- B. The Chief Procurement Officer reserves the right to deny or limit MBE/WBE credit to the contractor where any MBE or WBE is found to be engaged in substantial subcontracting or pass-through activities with others. A contractor may count toward its MBE and WBE goals only expenditures to firms that perform a commercially useful function. A firm is considered to perform a commercially useful function when it is responsible for the performance of a clearly defined and distinct element of work and is carrying out its responsibilities by actually performing, managing, and supervising the work involved. To determine whether a firm is performing a commercially useful function, the Chief Procurement Officer shall evaluate the amount of work subcontracted, industry practices, and other relevant factors. The amount of MBE/WBE participation credit shall be based upon an analysis by the Chief Procurement Officer of the specific duties that will be performed by the MBE or WBE. Each MBE/WBE shall be expected to actually perform a substantial (i.e., more than eighty-five percent (85%)) portion of the work contemplated for it by any subcontract or agreement through the use of its own employees and equipment.

Requested information may include, without limitation: (1) specific information concerning brokers' fees and/or commissions; (2) intended sub-suppliers or other sources of goods and/or services; and (3) specific financial or other risks to be assumed by the MBE/WBE.

- C. MBEs and WBEs who have been certified as "brokers" shall no longer be considered eligible to participate for any consideration of MBE or WBE credit on contracts awarded by the City in 1993 and thereafter, until further notice.
- D. A joint venture may count toward its MBE or WBE goal the dollar value of the actual work performed by the MBE and/or WBE joint venture partner with its own resources.

The Chief Procurement Officer reserves the right to disallow goal credit for all, or any portion, of work performed by an MBE or WBE joint venturer based on evaluations of non-compliance with these Special Conditions or any other City, State and/or Federal regulation.

V. **Regulations Governing Reduction or Waiver of MBE/WBE Goals**

The following Regulations set forth the standards to be used in determining whether or not a reduction or waiver of the MBE/WBE commitment goals of a particular contract is appropriate. If a bidder or proposer determines that it is unable to meet the MBE and/or WBE goal percentage on a City of Chicago contract, a written request for the reduction or waiver of the commitment must be included in the bid or proposal.

The written request for reduction or waiver from the commitment must be in the form of a signed petition for grant of relief from the MBE/WBE percentages submitted on the bidder/proposer's letterhead, and must demonstrate that all required efforts as set forth in this document were taken to secure eligible Minority and Women Business Enterprises to meet the commitments. The Chief Procurement Officer or designee shall determine whether the request for the reduction or waiver will be granted.

Bidders/proposers will be considered responsive to the terms and conditions of these Regulations if a waiver request and proof of notification to an assist agency is submitted at the time of bid/proposal opening. Once the bids have been opened, the lowest responsive and responsible bidder so deemed by the Chief Procurement Officer or authorized designee will have no more than fourteen (14) calendar days to submit to the Department of Procurement complete documentation that adequately addresses the conditions for waiver described herein. Proposers responding to Request for Proposals (RFPs) who have been identified as a short listed candidate and/or a prospective awardee will be given a designated time allowance, but no more than fourteen (14) calendar days to submit to the Department of Procurement Services complete documentation that adequately addresses the conditions for waiver described herein. Respondents to Request for Information and or Qualifications (RFI/RFQs) deemed by the Chief Procurement Officer or authorized

SPECIAL CONDITION REGARDING MBE/WBE COMMITMENT

designee to be the most responsive and responsible shall submit documentation that adequately addresses the conditions for waiver described herein during negotiations. Failure to submit documentation sufficient to support the waiver request will cause the bid/proposal to be found non-responsive by the Chief Procurement Officer, and the bid/proposal will be rejected. In such cases the remedies to be taken by the Chief Procurement Officer, in his discretion, may include, but are not limited to, forfeiture of bid deposit; negotiating with the next lowest bidder/proposer; or re-advertising the bid/proposal. All bidders/proposers are encouraged to submit all required documents at the time of bid opening to expedite the contract award.

A. Direct/Indirect Participation

Each of the following elements must be present in order to determine whether or not such a reduction or waiver is appropriate.

- 1. The bidder/proposer has documented the unsuccessful solicitation for either subcontractors or joint venture partners of at least 50% (or at least five when there are more than eleven certified firms in the commodity area) of the appropriate certified MBE/WBE firms to perform any direct or indirect work identified or related to the advertised bid/proposal. Direct participation involves subcontracting a portion of the goods/services specifically required in the bid/proposal. Indirect participation is the subcontracting of goods/services not specifically related to the performance of this contract. Documentation must include but is not necessarily limited to:**
 - a. A detailed statement of efforts to identify and select portions of work identified in the bid solicitation for subcontracting to certified MBE/WBE firms;**
 - b. A listing of all MBE/WBE firms contacted that includes:**
 - (1) Names, address and telephone numbers of MBE/WBE firms solicited;**
 - (2) Date and time of contact;**
 - (3) Method of contact (written, telephone, facsimile, etc.)**
 - c. Copies of letters or any other evidence of mailing that substantiates outreach to MBE/WBE vendors that includes:**
 - (1) Project identification and location;**
 - (2) Classification/commodity of work items for which quotations were sought;**
 - (3) Date, item and location for acceptance of subcontractor bid proposals;**
 - (4) Detailed statement which summarizes direct negotiations with appropriate MBE/WBE firms for specific portion of the work and indicates why negotiations were unsuccessful;**
 - (5) Affirmation that good faith efforts have been demonstrated by choosing subcontracting opportunities likely to achieve MBE/WBE goals by not imposing any limiting conditions which were not mandatory for all subcontractors; or denying the benefits ordinarily conferred on MBE/WBE subcontractors for the type of work that was solicited.**

OR
- 2. Subcontractor participation will be deemed excessively costly when the MBE/WBE subcontractor proposal exceeds the average price quoted by more than twenty percent (20%). In order to establish that a subcontractor's quote is excessively costly, the bidder/proposer must provide the following information:**
 - a. A detailed statement of the work identified for MBE/WBE participation for which the bidder/proposer asserts the MBE/WBE quote(s) were excessively costly (in excess of 20% higher).**
 - (1) A listing of all potential subcontractors contacted for a quotation on that work item;**

SPECIAL CONDITION REGARDING MBE/WBE COMMITMENT

- (2) Prices quoted for the subcontract in question by all such potential subcontractors for the work item.
- b. Other documentation which demonstrates to the satisfaction of the Chief Procurement Officer that the MBE/WBE proposals are excessively costly, even though not in excess of 20% higher than the average price quoted. This determination will be based on factors that include, but are not limited to the following:
 - (1) The City's estimate for the work under a specific subcontract;
 - (2) The bidder/proposer's own estimate for the work under the subcontract;
 - (3) An average of the bona fide prices quoted for the subcontract;
 - (4) Demonstrated increase in other contract costs as a result of subcontracting to the M/WBE or other firm.

B. Assist Agency Participation

Every waiver and/or reduction request must include evidence that the bidder/proposer has provided timely notice of the need for subcontractors to an appropriate association/assist agency representative of the MBE/WBE business community.

The notice requirement of this Section will be satisfied if a bidder/proposer contacts at least one of the associations on Attachment A when the prime contractor seeks a waiver or reduction in the utilization goals. Attachment B provides the letter format that a prime contractor may use. Proof of notification prior to bid submittal (e.g. certified mail receipt or facsimile transmittal receipt) will be required for any bid/proposal submitted to be deemed responsive on the date of bid opening. If deemed appropriate, the Chief Procurement Officer or Contract Compliance Officer may contact the assist agency for verification of notification.

C. Impracticability

1. If the Chief Procurement Officer determines that a lesser MBE and/or WBE percentage standard is appropriate with respect to a particular contract subject to competitive bidding prior to the bid solicitations for such contract, bid specifications shall include a statement of such revised standard.
2. The requirements set forth in these Regulations shall not apply where the Chief Procurement Officer determines prior to the bid solicitations that MBE/WBE subcontractor participation is impracticable.

This may occur whenever the Chief Procurement Officer determines that for reasons of time, need, industry practices or standards not previously known by the Procurement Department administrator, or such other extreme circumstances as may be deemed appropriate, such a Waiver is in the best interests of the City. This determination may be made in connection with a particular contract, whether before the contract is let for bid, during the bid or award process, before or during negotiation of the contract, or during the performance of the contract.

For all notifications required to be made by bidders/proposers, in situations where the Chief Procurement Officer has determined that time is of the essence, documented telephone contact may be substituted for letter contact.

VI. Procedure To Determine Bid Compliance

The following Schedules and described documents constitute the bidder's MBE/WBE proposal, and must be submitted in accordance with the guidelines stated:

- A. Schedule C-1: Letter of Intent from MBE/WBE to Perform as Subcontractor, Supplier and/or Consultant.

SPECIAL CONDITION REGARDING MBE/WBE COMMITMENT

A Schedule C-1 executed by the MBE/WBE (subcontractor or Joint Venture partner) must be submitted by the bidder/proposer for each MBE/WBE included on their Schedule D-1 and must accurately detail the work to be performed by the MBE/WBE and the agreed rates and prices to be paid.

If any fully completed and executed Schedule C-1 is not submitted with the bid/proposal, it must be received by the Contract Administrator within ten (10) days of the bid/proposal opening. (All post bid/proposal submissions must have original signatures on all documents). Failure to submit a completed Schedule C-1 in accordance with this section shall entitle the City to deem the bid/proposal non-responsive and therefore reject the bid/proposal.

B. Letters of Certification.

A copy of each proposed MBE/WBE firm's current Letter of Certification from the City of Chicago must be submitted with the bid/proposal.

All Letters of Certification issued by the City of Chicago include a statement of the MBE/WBE firm's Area of Specialty. The MBE/WBE firm's scope of work, as detailed by their Schedule C-1, must conform to their stated Area of Specialty.

C. Joint Venture Agreements.

If the bidder's/proposer's MBE/WBE proposal includes the participation of an MBE/WBE as joint venture on any tier (either as the bidder/proposer or as a subcontractor), the bidder/proposer must provide a copy of the joint venture agreement.

D. Schedule D-1: Affidavit of MBE/WBE Goal Implementation Plan

Bidders must submit, together with the bid, a completed Schedule D-1 committing them to the utilization of each listed MBE/WBE firm.

Except in cases where the bidder/proposer has submitted a request for a complete waiver of or variance from the MBE/WBE commitment in accordance with Section V. herein, the bidder/proposer must commit to the expenditure of a specific dollar amount of participation and a specific percentage of the total award amount for each MBE/WBE firm included on their Schedule D-1. The total dollar commitment to proposed MBEs must at least equal the MBE goal, and the total dollar commitment to proposed WBEs must at least equal the WBE goal. Bidders are responsible for calculating the dollar equivalent of the MBE and WBE goals as percentages of their total base bids or in the case of Term Agreements, as percentages of the total estimated usage.

All commitments made by the bidder's Schedule D-1 must conform to those presented in the submitted Schedule C-1. If Schedule C-1 is submitted after the bid opening (see Section VI. A., above), the bidder/proposer may submit a revised Schedule D-1 (executed and notarized) to conform with the Schedule C-1. Except in cases where substantial and documented justification is provided, bidders/proposers will not be allowed to reduce the dollar commitment made to any MBE or WBE in order to achieve conformity between the Schedules C-1 and D-1.

VII. Reporting Requirements During The Term of The Contract

- A. The Contractor shall, not later than thirty (30) days from the award of a contract by the City, execute formal contracts or purchase orders with the MBEs and WBEs included in their approved MBE/WBE Utilization Plan. These written agreements shall be made available to the Chief Procurement Officer upon request.
- B. In the case of one time procurements of supplies with either single or multiple deliveries to be performed in less than one year from the date of contract award, an "MBE/WBE Utilization Report," indicating final MBE and WBE payments shall be submitted directly to the Department of Procurement Services so as to assure receipt

SPECIAL CONDITION REGARDING MBE/WBE COMMITMENT

either at the same time, or before the using Department receives the contractor's final invoice. Final payments may be held until the Utilization Reports have been received.

NOTICE: Do not submit invoices with "MBE/WBE Utilization Reports."

- C. During the term of all other contracts, the contractor shall submit regular "MBE/WBE Utilization Reports," a copy of which is attached. The frequency with which these reports are to be submitted will be determined by the Chief Procurement Officer, but in no case will reports be required less often than on a quarterly basis. In the absence of written notice from the Chief Procurement Officer, the contractor's first "MBE/WBE Utilization Report" will be due ninety (90) days after the date of contract award, and reports will be due quarterly thereafter.
- D. "MBE/WBE Utilization Reports" are to be submitted directly to: Department of Procurement Services, Office of Vendor Relations, City Hall, Room 403, 121 N. LaSalle Street, Chicago, Illinois 60602.
- E. The Contract Compliance Administrator shall be entitled to examine, on five (5) business days notice, the contractor's books and records including without limitation payroll records, tax returns and records, and books of account, to determine whether the contractor is in compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the contract. Such rights are in addition to any other audit inspection rights contained in the contract.

VIII. MBE/WBE Substitutions

Changes by the contractor of the commitments earlier certified in the Schedule D-1 are prohibited. In some cases, however, it may become necessary to substitute a new MBE or WBE in order to actually fulfill the MBE/WBE requirements.

The contractor must notify the Chief Procurement Officer immediately in writing of the necessity to reduce or terminate an MBE/WBE subcontract and to utilize a substitute firm for some phase of work. The contractor's notification should include the reason for the substitution request, as well as, the name, address and principal official of the substitute MBE/WBE and the dollar value and scope of work of the subcontract. Attached should be all the requisite MBE/WBE affidavits and documents, as enumerated above in Section VI. above, "Procedure to Determine Bid Compliance."

The City will not approve extra payment for escalated costs incurred by the contractor when a substitution of subcontractors becomes necessary for the contractor in order to comply with MBE/WBE contract requirements.

After award of contract, no relief of the MBE/WBE requirements will be granted by the City except in exceptional circumstances. Requests for complete or partial waiver of the MBE/WBE requirements of this contract must be made in writing, stating all details of the request, the circumstances, and any additional relevant information. The request must be accompanied by a record of all efforts taken by the contractor to locate specific firms, solicit MBE/WBE bids, seek assistance from technical assistance agencies, etc., as outlined above in the section V. above, entitled "Regulations Governing Reductions To or Waiver of MBE/WBE Goals".

IX. Non-Compliance and Damages

The following constitutes a material breach of this contract and shall entitle the City to declare a default, terminate the contract and exercise those remedies provided for in the contract, at law or in equity:

- (1) failure to satisfy the MBE/WBE percentages required by the contract; and
- (2) the contractor or subcontractor is disqualified as an MBE or WBE, and such status was a factor in contract award, and was misrepresented by the contractor.

In the event that the contractor is determined not to have been involved in any misrepresentation of the

SPECIAL CONDITION REGARDING MBE/WBE COMMITMENT

status of the disqualified subcontractor or supplier, the contractor shall seek to discharge the disqualified subcontractor or supplier, upon proper notification to the Chief Procurement Officer and/or Contract Compliance Administrator and make every effort to identify and engage a qualified MBE or WBE as a replacement. Furthermore, continued eligibility to enter into future contracting arrangements with the City may be jeopardized as a result of non-compliance. Payments due to the contractor may be withheld until corrective action is taken.

X. Arbitration

- A. In the event that a contractor has not complied with the contractual MBE/WBE percentages in its Schedule D, underutilization of MBEs/WBEs shall entitle the affected MBE/WBE to recover from the contractor damages suffered by such entity as a result of being underutilized; provided, however, that this provision shall not apply to the extent such underutilization occurs pursuant to a waiver or substitution approved by the City. The Ordinance and contracts subject thereto provide that any disputes between the contractor and such affected MBEs/WBEs regarding damages shall be resolved by binding arbitration before an independent arbitrator other than the City, with reasonable expenses, including attorney's fees, being recoverable by a prevailing MBE/WBE in accordance with these regulations. This provision is intended for the benefit of any MBE/WBE affected by underutilization and grants such entity specific third party beneficiary rights. Any rights conferred by this regulation are non-waivable and take precedence over any agreement to the contrary, including but not limited to those contained in a subcontract, suborder, or communicated orally between a contractor and an MBE/WBE.
- B. An MBE/WBE desiring to arbitrate shall contact the contractor in writing to initiate the arbitral process. Except as otherwise agreed to in writing by the affected parties subject to the limitation contained in the last sentence of the previous paragraph, Section X. A. above, within ten (10) days of the contractor receiving notification of the intent to arbitrate from the MBE/WBE the above-described disputes shall be arbitrated in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA"), a not-for-profit agency, with an office at 225 North Michigan Avenue, Suite 2527, Chicago, Illinois 60601-7601 [Phone: (312) 616-6560; Fax: (312) 819-0404]. All such arbitrations shall be initiated by the MBE/WBE filing a demand for arbitration with the AAA; shall be conducted by the AAA; and held in Chicago, Illinois.
- C. All fees of the arbitrator are the initial responsibility of the MBE/WBE; provided, however, that the arbitrator is authorized to award reasonable expenses, including attorney's and arbitrator fees, as damages to a prevailing MBE/WBE.
- D. The MBE/WBE must send the City a copy of the "Demand for Arbitration" within ten (10) days after it is filed with the AAA. The MBE/WBE also must send the City a copy of the decision of the arbitrator within ten (10) days of receiving such decision. Judgment upon the award rendered by the arbitrator may be entered in any court of competent jurisdiction.

XI. Record Keeping

The Contractor shall maintain records of all relevant data with respect to the utilization of MBEs/WBEs, retaining these records for a period of at least three years after final acceptance of the work. Full access to these records shall be granted to the City of Chicago, Federal or State authorities in this project, the U.S. Department of Justice, or any duly authorized representatives thereof.

XII. Information Sources

Small business guaranteed loans; surety bond guarantees; 8 (a) certification:

U.S. Small Business Administration
500 W. Madison Street, Suite 1250
Chicago, Illinois 60661
General Information

S.B.A. - Bond Guarantee Program
Surety Bonds
500 West Madison, Suite 1250
Chicago, Illinois 60661

SPECIAL CONDITION REGARDING MBE/WBE COMMITMENT

(312) 353-4528

Attention: Carole Harris
(312) 353-4003

S.B.A. - Procurement Assistance
500 West Madison, Suite 1250
Chicago, Illinois 60661
Attention: Robert P. Murphy, Area Regional Administrator
(312) 353-7381

Project information and general MBE/WBE information:

City of Chicago
Department of Procurement
Office of Vendor Relations
City Hall - Room 403
Chicago, Illinois 60602
Attention:
(312) 744-7655

City of Chicago
Department of Procurement
Contract Administration Division
City Hall - Room 403
Chicago, Illinois 60602
Attention: Byron Whittaker
(312) 744-4926

Directory of Certified Disadvantaged, Minority and Women Business Enterprises:

City of Chicago
Department of Procurement
Office of Business Development -Certification Unit
City Hall - Room 403
Chicago, Illinois 60602
Attention: Lori Lypson
(312) 744-4909

General Information, Department of Procurement Services: www.cityofchicago.org/purchasing

Information on MBE/WBE availability in the manufacturing, sales or supplies, and related fields (direct assistance from 42 regional affiliates located throughout the U.S.):

National Minority Suppliers
Development Council, Inc.
1040 Avenue of the Americas, 2nd floor
New York, New York 10018
Attention: Harriet R. Michel
(212) 944-2430

Chicago Minority Business
Development Council
1 East Wacker Drive
Suite 1200
Chicago, Illinois 60601
Attention: Tracye Smith, Executive Director
Phone #: (312) 755-8880
Fax #: (312) 755-8890

MBE/WBE Professional Services rev 10/16/03 (dlh)

ATTACHMENT A – ASSIST AGENCY

AFRICAN AMERICAN CONTRACTORS ASSOCIATION
3901 S. STATE
CHICAGO, IL 60653
PHONE #: (312) 915-5960
FAX #: (312) 567-9919
WEB: NONE
EMAIL: OMARAACA@HOTMAIL.COM
ATTN: OMAR SHAREEF, PRESIDENT

ASIAN AMERICAN ALLIANCE
222 W. CERMAK ROAD
SUITE 303
CHICAGO, IL 60616
PHONE #: (312) 293-1249
FAX #: (312) 293-3642
WEB: WWW.ASIANAMERICANALLIANCE.COM
EMAIL: CTAKADA@ASIANAMERICANALLIANCE.COM
ATTN: MITCH SCHNEIDER, EXECUTIVE DIRECTOR

ASSOCIATION OF ASIAN CONSTRUCTION ENTERPRISES
333 N. OGDEN AVENUE
CHICAGO, IL 60607
PHONE #: (312) 563-0746
FAX #: (312) 666-1785
WEB: NONE
ATTN: PERRY NAKACHI, PRESIDENT

BLACK CONTRACTORS UNITED
400 W. 76TH STREET
SUITE 200
CHICAGO, IL 60620
PHONE #: (773) 483-4000
FAX #: (773) 483-4150
WEB: WWW.BLACKCONTRACTORSUNITED.COM
ATTN: FLORENCE COX, EXECUTIVE DIRECTOR

CHICAGO MINORITY BUSINESS DEVELOPMENT
COUNCIL, INC.
1 EAST WACKER DRIVE
SUITE 1200
CHICAGO, IL 60601
PHONE #: (312) 755-8880
FAX #: (312) 755-8890
WEB: WWW.CMBDC.ORG
ATTN: TRACYE SMITH, EXECUTIVE DIRECTOR

CHICAGO URBAN LEAGUE
220 S. STATE STREET
11TH FLOOR
CHICAGO, IL 60604
PHONE #: (312) 692-0766 EXT. 256
FAX #: (312) 692-0769
WEB: WWW.CUL-CHICAGO.ORG
EMAIL: IARCHIE@CUL-CHICAGO.ORG
ATTN: JOAN ARCHIE, DIRECTOR OF
EMPLOYMENT, COUNSELING & TRAINING

COSMOPOLITAN CHAMBER OF COMMERCE
560 WEST LAKE ST., SUITE 5TH FLOOR
CHICAGO, IL 60661
PHONE #: (312) 786-0212
FAX #: (312) 234-9807
WEB: WWW.CCHAMBER.ORG
ATTN: GLORIA BELL, EXECUTIVE DIRECTOR

FEDERATION OF WOMEN CONTRACTORS
5650 S. ARCHER AVENUE
CHICAGO, IL 60638
PHONE #: (312) 360-1122
FAX #: (312) 360-0239
WEB: WWW.FWCCHICAGO.COM/
ATTN: BETH DORIA, EXECUTIVE DIRECTOR

HISPANIC AMERICAN CONTRACTORS INDUSTRY
ASSOCIATION (HACIA)
901 WEST JACKSON BOULEVARD
SUITE 205
CHICAGO, IL 60607
PHONE #: (312) 666-5910
FAX #: (312) 666-5692
WEB: WWW.HACIAWORKS.ORG
EMAIL: MAILTO:CSATOY@HACIAWORKS.ORG
ATTN: CESAR A. SANTOY, EXECUTIVE DIRECTOR

LATIN AMERICAN CHAMBER OF COMMERCE
3512 WEST FULLERTON AVENUE
CHICAGO, IL 60647
PHONE #: (773) 252-5211
FAX #: (773) 252-7065
WEB:
WWW.LATINAMERICANCHAMBEROFCOMMERCE.COM
EMAIL:
LACC@LATINAMERICANCHAMBEROFCOMMERCE
ATTN: ANTHONY GUILLEN, DIRECTOR

ILLINOIS HISPANIC CHAMBER OF COMMERCE
(FORMERLY MACC)
33 N. LASALLE STREET
SUITE 1720
CHICAGO, IL 60602
PHONE #: (312) 372-3010
FAX #: (312) 372-3403
WEB: WWW.MACCBUSINESS.COM
ATTN: JUAN OCHOA, PRESIDENT & CEO

NATIONAL ASSOCIATION OF WOMEN BUSINESS
OWNERS
CHICAGO CHAPTER
330 S. WELLS STREET
SUITE 1110
CHICAGO, IL 60606
PHONE #: (312) 322-0990
FAX #: (312) 461-0238
WEB: WWW.NAWBOCHICAGO.ORG
EMAIL: INFO@NAWBOCHICAGO.COM
ATTN: CLAIR GREGOIRE, PRESIDENT

RAINBOW/PUSH COALITION
930 E. 50TH STREET
CHICAGO, IL 60615
PHONE #: (773) 256-2728
FAX #: (773) 256-2751
WEB: WWW.RAINBOWPUSH.ORG
ATTN: DONNA GAINES, DEPUTY DIRECTOR
TRADE BUREAU

SUBURBAN BLACK CONTRACTORS
848 DODGE AVENUE
SUITE 347
EVANSTON, IL 60202
PHONE #: (847) 359-5356
FAX #: (847) 359-5367
WEB: NONE
ATTN: LARRY BULLOCK, PRESIDENT

rev. 3/17/05

SUCCESSFUL INDEPENDENT NETWORK
ASSOCIATION (SIN)
STREET ADDRESS: MAILING ADDRESS:
2100 W. WASHINGTON P.O. BOX 1113
CHICAGO, IL 60612 CHICAGO, IL 60608
PHONE #: (312) 850-1665
FAX #: (312) 850-1665
WEB: NONE
ATTN: DIANE JONES, PRESIDENT
ATTN: ARNETTE KING, GENERAL MANAGER

TRITON COLLEGE
SMALL BUSINESS DEVELOPMENT CENTER
2000 FIFTH AVENUE
ROOM R-201
RIVER GROVE, IL 60171
PHONE #: (708) 456-0300 EXT. 3714
FAX #: (708) 583-3114
WEB: WWW.TRITON.EDU
EMAIL: GBARNES@TRITON.EDU
ATTN: MARY ANN OLSON, DEAN OF
WORKFORCE DEVELOPMENT

UPTOWN CENTER HULL HOUSE
4520 N. BEACON STREET
CHICAGO, IL 60640
PHONE #: (773) 561-3500
FAX #: (773) 561-3507
WEB: WWW.HULLHOUSE.ORG/EDU.HTM
Email: MAILTO:CROESCHLEY@HULLHOUSE.ORG
ATTN: CURT ROESCHLEY, DIRECTOR
SMALL BUSINESS DEVELOPMENT

WOMEN'S BUSINESS DEVELOPMENT CENTER
8 SOUTH MICHIGAN AVENUE
SUITE 400
CHICAGO, IL 60603
PHONE #: (312) 853-3477
FAX #: (312) 853-0145
WEB: WWW.WBDC.ORG
Email: MAILTO:HRATNER@WBDC.ORG
ATTN: HEDY RATNER, EXECUTIVE DIRECTOR

THE CHICAGO AREA GAY & LESBIAN CHAMBER OF
COMMERCE
1210 W. ROSEDALE
CHICAGO, IL 60660
PHONE #: (773) 303-0167
FAX #: (773) 303-0168
WEB: [HTTP://WWW.GLCHAMBER.ORG/](http://WWW.GLCHAMBER.ORG/)
BARRY A. FLYNN, EXECUTIVE DIRECTOR

ATTACHMENT B
(On Bidder/proposer's Letterhead)

RETURN RECEIPT REQUESTED

(Date) _____

Re: Specification _____
Description: _____

(Assist Agency Name and Address)

Dear _____:

(Bidder/Proposer) _____ intends to submit a bid/proposal in response to the above referenced specification with the City of Chicago. Bids are due _____ advertised specification with the City of Chicago.

The following areas have been identified for subcontracting opportunities on both a direct and indirect basis:

Our efforts to identify potential subcontractors have not been successful in order to meet the Disadvantaged/Minority/Women Business Enterprise contract goal. Due to the inability to identify an appropriate DBE/MBE/WBE firm certified by the City of Chicago to participate as a subcontractor or joint venture partner, a request for the waiver of the contract goals will be submitted. If you are aware of such a firm, please contact

_____ at _____
Name of Company Representative
Address/phone

within (10) ten working days of receipt of this letter.

Under the City of Chicago's MBE/WBE/DBE Ordinance, your agency is entitled to comment upon this waiver request to the City of Chicago. Written comments may be directed within fifteen (15) working days of your receipt of this letter to:

Monica Cardenas, Deputy Procurement Officer
Department of Procurement Services
City of Chicago
121 North La Salle Street, Room 403
Chicago, Illinois 60602

If you wish to discuss this matter, please contact the undersigned at _____.

Sincerely,

SCHEDULE B: Affidavit of Joint Venture (MBE/WBE)

This form need not be submitted if all joint venturers are MBEs and/or WBEs. In such a case, however, a written joint venture agreement among the MBE and WBE venturers must be submitted. In all proposed joint ventures, each MBE and/or WBE venturer must submit a copy of their current Letter of Certification.

All Information Requested by this Schedule must Be Answered in the Spaces Provided. Do Not Refer to Your Joint Venture Agreement Except to Expand on Answers Provided on this Form. If Additional Space Is Required, Additional Sheets May Be Attached.

- I. Name of joint venture: _____
 Address of joint venture: _____
 Phone number of joint venture: _____
- II. Identify each non-MBE/WBE venturer(s):
 Name of Firm: _____
 Address: _____
 Phone: _____
 Contact person for matters concerning MBE/WBE compliance: _____
- III. Identify each MBE/WBE venturer(s):
 Name of Firm: _____
 Address: _____
 Phone: _____
 Contact person for matters concerning MBE/WBE compliance: _____
- IV. Describe the role(s) of the MBE and/or WBE venturer(s) in the joint venture: _____

- V. Attach a copy of the joint venture agreement. In order to demonstrate the MBE and/or WBE venturer's share in the ownership, control, management responsibilities, risks and profits of the joint venture, the proposed joint venture agreement must include specific details related to: (1) the contributions of capital and equipment; (2) work items to be performed by the MBE/WBE's own forces; (3) work items to be performed under the supervision of the MBE/WBE venturer; and (4) the commitment of management, supervisory and operative personnel employed by the MBE/WBE to be dedicated to the performance of the project.
- VI. Ownership of the Joint Venture.
 - A. What are the percentage(s) of MBE/WBE ownership of the joint venture?
 MBE/WBE ownership percentage(s) _____
 Non-MBE/WBE ownership percentage(s) _____
 - B. Specify MBE/WBE percentages for each of the following (provide narrative descriptions and other detail as applicable):
 1. Profit and loss sharing: _____
 2. Capital contributions:
 - (a) Dollar amounts of initial contribution: _____
 - (b) Dollar amounts of anticipated on-going contributions: _____

Schedule B: Affidavit of Joint Venture (MBE/WBE)

3. Contributions of equipment (Specify types, quality and quantities of equipment to be provided by each venturer):

4. Other applicable ownership interests, including ownership options or other agreements which restrict or limit ownership and/or control: _____

5. Provide copies of all written agreements between venturers concerning this project.
6. Identify each current City of Chicago contract (and each contract completed during the past two (2) years) by a joint venture of two or more firms participating in this joint venture:

VII. Control of and Participation in the Joint Venture. Identify by name and firm those individuals who are, or will be, responsible for, and have the authority to engage in the following management functions and policy decisions. (Indicate any limitations to their authority such as dollar limits and co-signatory requirements.):

A. Joint venture check signing:

B. Authority to enter contracts on behalf of the joint venture:

C. Signing, co-signing and/or collateralizing loans:

D. Acquisition of lines of credit:

E. Acquisition and indemnification of payment and performance bonds:

Schedule B: Affidavit of Joint Venture (MBE/WBE)

F. Negotiating and signing labor agreements:

G. Management of contract performance. (Identify by name and firm only):

1. Supervision of field operations:

2. Major purchases:

3. Estimating:

4. Engineering:

VIII. Financial Controls of joint venture:

A. Which firm and/or individual will be responsible for keeping the books of account?

B. Identify the "managing partner," if any, and describe the means and measure of their compensation:

C. What authority does each venturer have to commit or obligate the other to insurance and bonding companies, financing institutions, suppliers, subcontractors, and/or other parties participating in the performance of this contract or the work of this project?

IX. State the approximate number of operative personnel (by trade) needed to perform the joint venture's work under this contract. Indicate whether they will be employees of the non-MBE/WBE firm, the MBE/WBE firm, or the joint venture.

Schedule B: Affidavit of Joint Venture (MBE/WBE)

The undersigned affirms that the foregoing statements are correct and include all material information necessary to identify and explain the terms and operations of our joint venture and the intended participation of each venturer in the undertaking. Further, the undersigned covenant and agree to provide to the City current, complete and accurate information regarding actual joint venture work and the payment therefore, and any proposed changes in any provision of the joint venture agreement, and to permit the audit and examination of the books, records and files of the joint venture, and those of each venturer relevant to the joint venture by authorized representatives of the City or the Federal funding agency.

Any material misrepresentation will be grounds for terminating any contract which may be awarded and for initiating action under federal or state laws concerning false statements.

Note: If, after filing this Schedule B and before the completion on the joint venture's work on the project, there is any change in the information submitted, the joint venture must inform the City of Chicago, either directly or through the prime contractor if the joint venture is a subcontractor.

Name of MBE/WBE Partner Firm

Name of Non-MBE/WBE Partner Firm

Signature of Affiant

Signature of Affiant

Name and Title of Affiant

Name and Title of Affiant

Date

Date

On this _____ day of _____, 20____, the above-signed officers

(names of affiants)

personally appeared and, known to me be the persons described in the foregoing Affidavit, acknowledged that they executed the same in the capacity therein stated and for the purpose therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Signature of Notary Public

My Commission Expires: _____

(SEAL)

SCHEDULE C-1
Letter of Intent from MBE/WBE to Perform
as Subcontractor, Supplier and/or Consultant

Name of Project/Contract: DARLEP
Specification Number: 48096

From: Evergreen Supply Co.
(Name of MBE/WBE Firm)

MBE: Yes _____ No XX_____
WBE: Yes XX____ No _____

To: Redflex Traffic Systems, Inc.
(Name of Prime Contractor - Bidder/Proposer)

and the City of Chicago:

The undersigned intends to perform work in connection with the above projects as a:

~~XX~~ Sole Proprietor
_____ Partnership

X Corporation
_____ Joint Venture

The MBE/WBE status of the undersigned is confirmed by the attached letter of Certification from the City of Chicago effective date of Sept 2006 to Sept 2007 a period of five years.

The undersigned is prepared to provide the following described services or supply the following described goods in connection with the above named project/contract:

Electrical and Construction Equipment and Supplies

The above described performance is offered for the following price and described terms of payment:

\$4,500 per system

If more space is needed to fully describe the MBE/WBE firm's proposed scope of work and/or payment schedule, attach additional sheets.

The undersigned will enter into a formal written agreement for the above work with you as a Prime Contractor, conditioned upon your execution of a contract with the City of Chicago, and will do so within (3) three working days of receipt of a signed contract from the City of Chicago.

(Signature of Owner or Authorized Agent)

Name /Title (Print)

Date

Phone

Rev. 9/03

Colleen Kerner
Colleen Kerner, President
10.16.06
773.376.4750

Sep-14-2006 08:15am

From-CITY OF CHICAGO PRECUREMENT

+1 312 7440826

T-793 P.001/001 F-811



City of Chicago
Richard M. Daley, Mayor

Department of
Procurement Services

Barbara A. Lumpkin
Chief Procurement Officer

City Hall, Room 403
121 North LaSalle Street
Chicago, Illinois 60602
(312) 744-4900
(312) 744-2949 (TTY)
<http://www.cityofchicago.org>

September 14, 2006

Colleen Kramer, President
Evergreen Supply Company
9901 South Torrence Avenue
Chicago, Illinois 60617

Dear Ms. Kramer:

The City of Chicago Department of Procurement Services ("Department") has undertaken an evaluation of procurement policies and procedures including those utilized within the M/WBE and DBE certification unit. In light of this evaluation and in anticipation of streamlining our procedures, the Department extends your WBE certification until **September 1, 2007.**

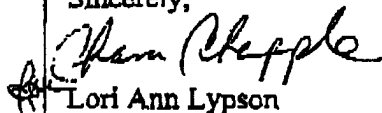
The Department may request additional information from you prior to the expiration of the courtesy period. This information will assist us in making a determination on the recertification of your company. You will receive additional information from the Department in the coming days.

As you know, your firm's participation on contracts will be credited only toward WBE in the following specialty area(s):

Distributor of Electrical Supplies

If you have any questions, please contact our office at 312-742-0766.

Sincerely,


Lori Ann Lypson
Deputy Procurement Officer

LL/wa



SCHEDULE C-1
Letter of Intent from MBE/WBE to Perform
as Subcontractor, Supplier and/or Consultant

Name of Project/Contract: DARLEP

Specification Number: 48096

From: City Lights, LTD
(Name of MBE/WBE Firm)

MBE: Yes ☒ No
WBE: Yes ☒ No

To: Redflex Traffic Systems, Inc. and the City of Chicago:
(Name of Prime Contractor - Bidder/Proposer)

The undersigned intends to perform work in connection with the above projects as a:

☒ Sole Proprietor
☐ Partnership

☐ Corporation
☐ Joint Venture

The MBE/WBE status of the undersigned is confirmed by the attached letter of Certification from the City of Chicago effective date of _____ to _____ for a period of five years.

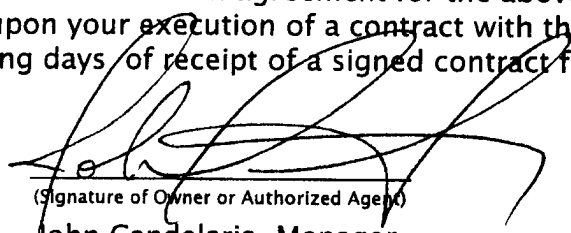
The undersigned is prepared to provide the following described services or supply the following described goods in connection with the above named project/contract:
Electrical Contractor

The above described performance is offered for the following price and described terms of payment:

Per system installed= \$16,900.00

If more space is needed to fully describe the MBE/WBE firm's proposed scope of work and/or payment schedule, attach additional sheets.

The undersigned will enter into a formal written agreement for the above work with you as a Prime Contractor, conditioned upon your execution of a contract with the City of Chicago, and will do so within (3) three working days of receipt of a signed contract from the City of Chicago.


(Signature of Owner or Authorized Agent)

John Candelaria, Manager
Name /Title (Print)

Date

(773) 626-9162
Phone



City of Chicago
Richard M. Daley, Mayor

Department of
Procurement Services

Barbara A. Lumpkin
Chief Procurement Officer

City Hall, Room 403
121 North LaSalle Street
Chicago, Illinois 60602
(312) 744-4900
(312) 744-2949 (TTY)
<http://www.cityofchicago.org>

RECEIVED

JUL 20 2006

CITY LIGHTS

July 12, 2006

Juan Candelaria, President
City Lights, Ltd.
5261 W. Harrison Street
Chicago, Illinois 60644

Dear Mr. Candelaria:

The City of Chicago Department of Procurement Services ("Department") has undertaken an evaluation of procurement policies and procedures including those utilized within the M/WBE and DBE certification unit. In light of this evaluation and in anticipation of streamlining our procedures, the Department extends your **MBE certification until April 1, 2007**.


The Department may request additional information from you prior to the expiration of the courtesy period. This information will assist us in making a determination on the recertification of your company. You will receive additional information from the Department in the coming days.

As you know, your firm's participation on contracts will be credited only toward **MBE** in the following specialty area(s):

Electrical Contractor

If you have any questions, please contact our office at 312-742-0766.

Sincerely,


Lori Ann Lypson
Deputy Procurement Officer

mck



SCHEDULE D-1

Affidavit of MBE/WBE Goal Implementation Plan

Project Name: DARLEP
Specification Number: 48096

State of Illinois

County (City) of Chicago

I HEREBY DECLARE AND AFFIRM that I am duly authorized representative of:

Redflex Traffic Systems, Inc.

Name of Prime Consultant/Contractor

and that I have personally reviewed the material and facts set forth herein describing our proposed plan to achieve the MBE/WBE goals of this contract.

All MBE/WBE firms included in this plan have been certified as such by the City of Chicago (Letters of Certification Attached).

- I. MBE or WBE Prime Consultant/Contractor. If prime consultant is a certified MBE or WBE firm, attach copy of City of Chicago Letter of Certification. (Certification of the prime consultant as a MBE satisfies the MBE goal only. Certification of the prime consultant as a WBE satisfies the WBE goal only.)
- II. MBEs and WBEs as Joint Venturers. If prime consultant is a joint venture and one or more joint venture partners are certified MBEs or WBEs, attach copies of Letters of Certification and a copy of Joint Venture Agreement clearly describing the role of the MBE/WBE firm(s) and its ownership interest in the joint venture.
- III. MBE/WBE Subconsultants. Complete for each MBE/WBE subconsultant/subcontractor/supplier.

1. Name of MBE/WBE: **City Lights LTD**

Address: 5261 West Harrison Street Chicago, IL. 60644

Contact Person: John Candelaria

Phone: (773) 626-9162

Dollar Amount of Participation: \$16,900 per system

Percent Amount of Participation: 16.9 %

2. Name of MBE/WBE: Evergreen Supply Company

Address: 9901 S. Torrence Avenue Chicago, IL. 60617

Contact Person: Patricia Gallagher

Phone: (773) 375-4750

Dollar Amount of Participation: \$4,500 per system

Percent Amount of Participation: 4.5 %

3. Name of MBE/WBE: _____

Address: _____

Contact Person: _____ Phone: _____

Dollar Amount of Participation: _____

Percent Amount of Participation: _____%

4. Name of MBE/WBE: _____

Address: _____

Contact Person: _____ Phone: _____

Dollar Amount of Participation \$ _____

Percent Amount of Participation: _____%

5. Name of MBE/WBE: _____

Address: _____

Contact Person: _____ Phone: _____

Dollar Amount of Participation \$ _____

Percent Amount of Participation: _____%

6. Name of MBE/WBE: _____

Address: _____

Contact Person: _____ Phone: _____

Dollar Amount of Participation \$ _____

Percent Amount of Participation: _____%

7. Name of MBE/WBE: _____

Address: _____

SCHEDULE D-1

Contact Person: _____ Phone: _____

Dollar Amount of Participation \$ _____

Percent Amount of Participation: _____%

SCHEDULE D-1

8. Attach additional sheets as needed.

IV. Summary of MBE Proposal:

MBE Firm Name	Dollar Amount of Participation	Percent Amount of participation
City Lights, LTD	\$16,900 ea	16.9 %
-----	\$-----	-----%
-----	\$-----	-----%
-----	\$-----	-----%
-----	\$-----	-----%
Total MBE Participation:	\$ 16,900 ea.	16.9 %

V. Summary of WBE Proposal:

WBE Firm Name	Dollar Amount of Participation	Percent Amount of participation
Evergreen Supply Co.	\$ 4,500 ea	4.5 %
-----	\$-----	-----%
-----	\$-----	-----%
-----	\$-----	-----%
-----	\$-----	-----%
Total WBE Participation:	\$ 4,500 ea.	4.5%

To the best of my knowledge, information and belief, the facts and representations contained in this Schedule are true, and no material facts have been omitted.

The contractor designates the following person as their MBE/WBE Liaison Officer:

Name Bob Warner

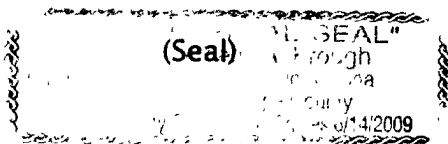
Phone Number (480) 603-3170

I do solemnly declare and affirm under penalties of perjury that the contents of the foregoing document are true and correct, and that I am authorized, on behalf of the contractor, to make this affidavit.

Signature of Affiant (Date)

State of Arizona
County of Maricopa

This instrument was acknowledged before me on Oct. 18, 2006 (date)
by Cheryl A Krough (name /s of person/s)
as notary (type of authority, e.g., officer, trustee, etc.)
of Richard E. Egan (name of party on behalf of whom instrument
was executed).



Signature of Notary Public



City of Chicago
Richard M. Daley, Mayor

Department of
Procurement Services

Barbara A. Lumpkin
Chief Procurement Officer

City Hall, Room 403
121 North LaSalle Street
Chicago, Illinois 60602
(312) 744-4900
(312) 744-2949 (TTY)
<http://www.cityofchicago.org>

REQUEST FOR PARTIAL WAIVER

TO: Barbara A. Lumpkin
Chief Procurement Officer

FROM: Joseph Chan
Contract Negotiator

DATE: January 16, 2007

User Department: Office of Emergency Management & Communications

Description of Services: Digital Automated Red Light Enforcement Program
Contract Period: Blanket, 5 years
Specification No.: 2281
Contract No.: 3220
Vendor: Redflex Traffic System, Inc.
Amendment Amount: \$23,500,000.00

Partial Waiver Percentages: 9.21% MBE
2.64% WBE

REASON(S) PURSUANT TO ORDINANCE AND REGULATIONS FOR APPROVAL:

On 7/31/06, Office of Emergency Management & Communications (OEMC) obtained approval from the Non-Competitive Procurement Review Board to negotiate a new contract with Redflex Traffic Systems, Inc. (RTS), to assist OEMC in the continued implementation of the Digital Automated Red Light Enforcement Program (DARLEP) for the City of Chicago. On December 29, 2006, Procurement decided to amend the existing RTS contract. There are two distinct components to this Agreement. The first is the construction and installation component and the second an operational component. RTS is in full compliance with the first component.

The operational component of the Agreement includes maintenance, data management, and processing services of DARLEP. This involves access to detailed training on proprietary hardware and software. The RTS operational commitment to the City per our Agreement is subject to penalties if RTS fails to meet system uptime and therefore not available to subcontracting participation.

RTS has made good faith effort to support the City's MBE/WBE requirement with full compliance on the DARLEP construction and installation component. RTS has identified two subcontractors for this direct participation in the amounts of 20.1% MBE and 4.5% WBE. Total partial participation for this contract is 7.69% for MBE and 1.86% for WBE. Therefore, OEMC and RTS request a partial waiver of MBE and WBE commitments in the percentages referenced above, as full participation on this contract is impracticable. See the RTS partial waiver request letter dated 01/11/07 and the OEMC concurrence letter dated 01/12/07, copies attached.

☒ RECOMMEND:
☐ NOT RECOMMEND:

Joseph Chan
Contract Negotiator

1/16/07
DATE

NEIGHBORHOODS





City of Chicago
Richard M. Daley, Mayor

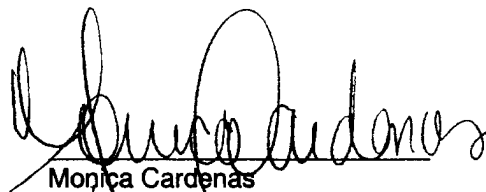
Department of
Procurement Services

Barbara A. Lumpkin
Chief Procurement Officer

City Hall, Room 403
121 North LaSalle Street
Chicago, Illinois 60602
(312) 744-4900
(312) 744-2949 (TTY)
<http://www.cityofchicago.org>

☒ CONCUR:
☐ NOT CONCUR:

☒ APPROVE:
☐ DISAPPROVE:


Monica Cardenas
Deputy Procurement Officer

Monica Cardenas
Deputy Procurement Officer

Barbara A. Lumpkin
Chief Procurement Officer

1/23/07
DATE

1/24/07
DATE

NEIGHBORHOODS





City of Chicago
Richard M. Daley, Mayor


Office of Emergency Management
and Communications

Andrew Velasquez III
Executive Director

1411 West Madison Street
Chicago, Illinois 60607
(312) 746-9111
(312) 746-9120 (FAX)

<http://www.cityofchicago.org>

TO: Barbara Lumpkin
Chief Procurement Officer
Department of Procurement Services

FROM: 
Andrew Velasquez III
Executive Director
Office of Emergency Management and Communications

DATE: January 12, 2007

RE: Request of MBE/WBE Waiver for the Non-Construction Portion of the Digital
Automated Red Light Enforcement Program
Spec # 2281

By letter dated January 11, 2007 (attached), RedFlex Traffic Systems (RedFlex) is requesting a partial waiver of its MBE/WBE commitment requirements. In the letter, RedFlex provides a comprehensive explanation of the issues they face in meeting the requirement on the non-construction portion of the contract. RedFlex is also requesting that the MBE/WBE percentages of the construction portion of the contract requirements (i.e., those that will be met and exceeded at 24.6%) be incremental in nature and aligned with its bonding requirements; in other words, the commitment will be based on orders received from the City. OEMC would like to request your favorable consideration of this waiver request in light of the importance of the Red Light Enforcement Program to public safety in the City.

Please let me know if there is any other information you require at this time.

Thank you for your time and feel free to contact me directly at 6-9111.

Attachment(s)

NEIGHBORHOODS





REDFLEX
TRAFFIC SYSTEMS

Redflex Traffic Systems, Inc.
15020 N. 74th Street
Scottsdale, AZ 85260
Tel: 480 607 0705
Fax: 480 607 0752
www.redflex.com

January 11, 2007

Mr. John Bills
Deputy Director, City Operations-OEMC
City of Chicago
1411 W. Madison Street, 4th Floor
Chicago, Illinois 60607

Dear Mr. Bills:

I write concerning the previously completed and submitted MBE/WBE forms C1 and D1 provided as part of the completion of the Amendment process on the Digital Automated Red Light Enforcement Program (DARLEP) specification number 2281.

While the amendment has a total maximum funded value of \$25,000,000, there are two important factors that impact the method in which Redflex can meet its obligations with regard to MBE/WBE compliance.

- The contract provides the city the option to purchase up to 100 additional systems. Other than the initial 40 systems that the city has requested, there is no further obligation of the City to purchase more systems
- The contract contemplates payments to Redflex for two discrete services: (1) the System construction and installation services and (2) ongoing maintenance, data management and processing services. While we have satisfactorily engaged both MBE and WBE vendors to assist in the provision of System construction and installation services, the nature of the maintenance, data management, and processing services are not suitable for outsourcing to MBE and WBE vendors.

We have completed the forms on the basis of the City's initial order for 40 systems and for the System construction and installation element of the contract (total value $40 \times \$100,000 = \$4,000,000$). In addition we agree to increase our MBE participation to 20.1%, which is a 19% increase over the required participation. This results in total MBE of $20.1\% = \$804,000$, and WBE at $4.5\% = \$180,000$. Additionally, as we grow in the metropolitan area it is our intent to continue utilizing the identified minority and woman owned businesses on an indirect basis.

We propose to submit additional C1 and D1 forms in these same percentages for all additional orders of Systems that we receive from the City.

This proposed incremental manner of meeting our MBE/WBE obligations is aligned to our bonding obligations as outlined in Exhibit 12 to the contract. In Exhibit 12, we supply an initial bond for the first 40 systems installed. Thereafter, we contract that

“When the city notifies you that the city is ordering additional systems then you must deliver to the Chief Procurement Officer a new contract performance and payment bond in the amount equal to \$22,650 for each additional system identified in the Notice to Proceed”

Note that this language contemplates additional bonding with *each additional order of service* by the City and also links the value of the bond required only to the order of *system construction and installation* and not to the maintenance, data management and processing services.

We propose to mirror this approach in meeting our MBE/WBE obligations and accordingly have supplied C1 and D1 forms based on an initial order value of \$4,000,000 and propose to subsequently provide additional C1 and D1 with each Notice to Proceed supplied by the City based on the value of such order.

Please note that as part of our ongoing commitment to the City, we have begun to establish an operation within Chicago that will significantly expand our business premises and Chicago employee base. Where certain of our services are not conducive to outsourcing to local MBE/WBE vendors, our approach to bringing economic development to the City of Chicago, is to create a local operation of our company.

To assist in your consideration of our request we supply below further details on the nature of the two distinct elements of our contracted work:

System construction and installation

During the performance of the contract over the past three years we have worked diligently to identify MBE/WBE firms that can perform the work under the contract. The result of our investigation is that the construction and supply portion of the contract has elements of work that can be met in a limited manner by MBE/WBE firms within the city of Chicago. The specialized nature of the work has not been performed in the state of Illinois in the past as this photo enforcement program is currently the only operational red light photo-enforcement program within the state. Local capability and experience with the technologies and skill sets is rare even within the U.S. We have accordingly proposed this work for the amendment and submitted C1 and D1 forms that address the MBE and WBE work covering the manufacturing and construction activity.

Maintenance, data management, and processing services

We also perform a variety of other services under the contract largely centered around ongoing maintenance of all installed systems and data storage, management, and initial processing of the captured violations. These services involve access to and detailed training on proprietary hardware and software. These services are performed both in the city of Chicago and also at our head office in Scottsdale, Arizona. They also involve access to personal information of violators that requires us to employ thorough and comprehensive employee background checks to ensure compliance with our legal obligations.

There are no existing MBE and WBE firms listed on the Department of Procurement Services MBE/WBE database that perform this work. The nature of these services is such that the investment required by an MBE/WBE to achieve the breadth and depth of knowledge and experience to perform them would be uneconomical.

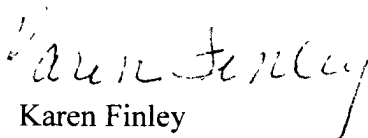
Further, our contract with the city contains a liquidated damage clause imposing significant financial penalties on us should the issuance rate of the systems fall below 85% (performance clause) or should

the uptime of the systems fall below 95%. As outlined above, the MBE/WBE firms have no experience in the performance of this type of work thus giving rise to a performance and financial risk on this importance safety program.

We are therefore respectfully petitioning for the grant of relief from MBE/WBE requirements for the maintenance and data management and processing portion of the proposed amendment. We are committing to meet MBE/WBE requirements for the construction and installation components of the work at the existing committed 20.1% for MBE and 4.5% for WBE as set out in the attached C1 and D1 forms.

We note that the Department of Procurement Services has provided discretion on MBE/WBE in exceptional cases such as this in the past for specialist equipment supply. Indeed, the Department of Procurement Services applied the requested restriction to the previous amendment number 22517 submitted on October 15, 2005.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Karen Finley", written over the typed name.

Karen Finley
President/CEO